

Community Development Block Grant Program (CDBG)

General Purpose Grant Application

September 1996

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Prepared by Bill Prentice, Program Coordinator

September 1996

General Purpose Grant Application

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Recycled/Recyclable

**WASHINGTON STATE
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
GENERAL PURPOSE GRANT APPLICATION HANDBOOK**

1997

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HOW TO USE THE APPLICATION HANDBOOK

This General Purpose Grant Application Handbook provides information about the Washington State Small Cities Community Development Block Grant Program and provides instructions and forms for preparing and submitting a funding request.

The handbook contains four sections and the appendices:

- ◆ Section I: **CDBG General Program Information:** provides basic information about the CDBG Program, including funding availability, eligibility guidelines, special requirements, and funding limitations.
- ◆ Section II: **Application Submission:** provides guidance on how the application must be structured i.e. print size, spacing, number of copies.
- ◆ Section III: **General Application Instructions, Requirements, and Forms:** provides information needed to complete the application forms and certifications. **This section of the Application Handbook must be completed by all applicants.**
- ◆ Section IV: **Project Specific Application Instructions:** provides specific questions and rating criteria that must be addressed in the application. Each category of CDBG eligible projects has its own set of questions and criteria.
 - A. Housing
 - B. Public Facility
 - C. Community Facility
 - D. Economic Development
 - E. Comprehensive

Most applicants need only complete the section that relates to their project category along with the general instructions contained in Section III.

HOW TO USE THE APPLICATION HANDBOOK

- ◆ Appendices: Contains reference information needed to complete the various steps of the application process:
- Appendix A* lists eligible and ineligible jurisdictions.
- Appendix B* lists eligible and ineligible activities.
- Appendix C* contains tables of Low- and Moderate-Income Limits needed to develop and administer income surveys.
- Appendix D* contains guidance for preparing a Community Development and Housing Plan.
- Appendix E* provides information and sample forms for developing and administering community needs and income surveys.
- Appendix F* lists state and federal requirements that may apply to the applicant's project.
- Appendix G* lists jurisdictions with at least 51 percent Low-Income based on HUD's 1990 census data.
- Appendix H* provides recommended steps for planning and developing a CDBG application .



CDBG Program staff are available to help applicants develop competitive applications. Applicants are invited to contact Val Fieldsend, Bill Prentice, Dan Riebli, Kaaren Roe, or Charmaine Stouder at (360) 753-4900 or at the individual phone numbers listed on the title page. They can provide advice on how to prepare more competitive proposals, provide clarification on income surveys and low income requirements, confirm eligibility of proposed activities, and generally assist communities throughout the application process.

SECTION I:

CDBG GENERAL PROGRAM INFORMATION

SECTION I: CDBG GENERAL PROGRAM INFORMATION

What is the CDBG Program?

- ✓ The Washington State Community Development Block Grant Program is a flexible, competitive source of federal funding for a broad range of community development activities.
- ✓ All projects must principally benefit low- and moderate-income (LMI) persons. (See Appendix C, 1996 Low-Income Limits.)
- ✓ General Purpose Grant funding is available for five categories of projects: housing, economic development, community facilities, public facilities, and comprehensive.
- ✓ All local projects must meet at least one of three national objectives of the program (Title 1, Housing and Community Development Act of 1974, as amended) which are to:
 - ⊗ principally benefit persons of low-income;
 - ⊗ prevent or eliminate slums or blight; or
 - ⊗ meet urgent community development needs which pose a serious and immediate threat to public health or safety.
- ✓ Applicants may request up to \$750,000 in grant funds during a single, annual General Purpose competition to address eligible community development needs.

How much money is available for Fiscal Year 1997?

- ✓ Washington State expects to receive \$15 million in federal Small Cities CDBG funding for FY 1997. Of this amount, approximately \$8.2 million will be distributed on a competitive basis to highly rated CDBG General Purpose Grant projects. The remainder of the funding will be distributed in accordance with program guidelines described in the state's Consolidated Plan, as updated for 1997. Congress is not expected to make final budget decisions until the end of September; funding may change as a result of congressional conference committee agreements.

SECTION I: CDBG GENERAL PROGRAM INFORMATION

When will the money be available if my project is selected?

- ✓ CDBG FY 1997 funding for General Purpose Grant projects will be made available by March 1997, unless congressional action creates delays.

Who can apply for CDBG?

- ✓ Eligible applicants for CDBG General Purpose Grants are **cities and towns with less than 50,000 or counties with populations less than 200,000** provided that the cities, towns, and counties do not participate in HUD Urban county Consortiums. (See Appendix A for a list of eligible and ineligible jurisdictions.)
- ✓ Indian tribes and special purpose organizations such as public housing authorities, port districts, community action agencies, and economic development councils, are not eligible to apply directly to the CDBG Program for funding. However, eligible jurisdictions may choose to involve Indian tribes within their jurisdiction or to involve other organizations in activities funded by a grant.

What type of projects can be funded?

- ✓ The following list identifies the most common types of eligible activities.
 - ⊗ Housing
 - Most new housing construction projects are not CDBG eligible. Contact CDBG program staff when considering new housing projects.
 - ⊗ Economic Development
 - ⊗ Community Facilities
 - ⊗ Public Facilities
 - ⊗ Comprehensive
 - ⊗ Other Eligible Activities
 - Public Services
 - Local Match
 - Administration
 - Relocation
 - Barrier Removal

Appendix B contains a short synopsis on each of the types of eligible activities as well as a complete list of eligible and ineligible activities excerpted from Title I of the Housing and Community Development Act of 1974, as amended through 1992. All projects must plan to provide the intended benefits for a minimum of 10 years. Verification of project eligibility with CDBG program staff is strongly advised before beginning on application.

SECTION I: CDBG GENERAL PROGRAM INFORMATION

What types of projects cannot be funded with CDBG funds?

- ⊗ New Housing Construction - CDBG funds generally may not be used to construct new housing units. In certain circumstances, with HUD's approval, CDBG funds may be used for the substantial reconstruction of housing owned and occupied by low- and moderate-income persons. Activities in support of new housing construction may also be eligible under certain conditions. Communities considering applications for these activities should consult with CDBG Program staff before proceeding.
- ⊗ Regular Government Operations - CDBG funds may not be used to fund the ongoing responsibilities of general local government.
- ⊗ Maintenance and Operation - Maintenance and operation expenses of public or community facilities are not eligible, with the exception of an eligible public service activity.
- ⊗ Equipment - The purchase of motor vehicles, equipment, or furnishings not permanently attached to a building is ineligible except when necessary as part of an eligible public service or for fire protection. Park equipment such as bleachers or picnic tables purchased with CDBG funds must be permanently affixed.
- ⊗ Government Buildings - Government buildings such as courthouses, city halls, county administrative buildings, and other buildings used predominantly for the general conduct of government are not eligible for CDBG assistance except for the removal of architectural barriers.
- ⊗ Income Payments - CDBG funds may not be used for income payments such as payment for income maintenance, housing allowances, down payments, or mortgage subsidies.
- ⊗ Political Activities - CDBG funds may not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities.

SECTION I: CDBG GENERAL PROGRAM INFORMATION

What special requirements and funding limitations apply to the application process?

- ✓ Before an application can be reviewed and rated, it must be screened to determine whether or not it conforms to the following requirements and funding limitations. Actions necessary to comply with these special requirements are detailed in the application instructions.

- Resolution with Certifications of Compliance

The applicant's local legislative body must pass a resolution authorizing the chief administrative official to submit the CDBG application to CTED and certifying compliance with state and federal laws and specific program requirements. A sample resolution can be found on page 24.

The resolution must be signed by the authorized chief administrative official, and a signed copy must be included with the application.

- Disclosure Report

All applicants for state CDBG grants must complete and submit a disclosure form as part of the application if the applicant expects to or has received more than \$200,000 from Housing and Urban Development (HUD) programs between October 1, 1996, and September 30, 1997. The CDBG Disclosure Report Form is located on pages 27-30.

- Citizen Participation Strategy

Title I of the Housing and Community Development Act of 1974, as amended, requires each applicant to identify its community development and housing needs, including the needs of low- and moderate-income persons, through a documented citizen participation process. To meet this requirement, the jurisdiction must submit a Citizen Participation Strategy (See page 40 for Citizen Participation Strategy Instructions) and either a Community Development and Housing Plan (Option A) or a Comprehensive Plan (Option B). The Citizen Participation Strategy must be adopted and implemented prior to the development of a CDBG application and submitted with the application.

SECTION I: CDBG GENERAL PROGRAM INFORMATION

- Community Development and Housing Plan (Option A)

If an applicant elects to develop and adopt a Community Development and Housing Plan, the plan must be submitted as part of the application or be already on file with the State Department of Community, Trade and Economic Development. A Community Development and Housing Plan is **no longer required** if the jurisdiction has a Comprehensive Plan, developed in accordance with the Growth Management Act of 1990, and meets the federal Citizen Participation Strategy requirements.

- Comprehensive Plan (Option B)

The Comprehensive Plan is required from all communities located in growth designated counties, or in counties which have opted into the growth management process, to meet the Growth Management Act of 1990. Additional questions regarding the specifics of a Comprehensive Plan should be directed to the local planning agency responsible for compliance with the Growth Management Act. To be used in lieu of a Community Development and Housing Plan, a draft or final Comprehensive Plan must be on file with the State Department of Community, Trade and Economic Development.

- Principal Benefit to Low- and Moderate-Income Persons

A CDBG General Purpose Grant proposal must principally benefit low- and moderate-income households. "Principal benefit" is defined as at least 51 percent benefit to low- and moderate-income households. An application which fails to adequately demonstrate the manner in which the proposed activities will provide such benefit will not advance to the rating and selection stage. The guidelines for calculating this percentage are provided in the Low-Income Benefit worksheet on page 46. Appendix G can also be used to determine the percent of low-income based on 1990 census data.

SECTION I: CDBG GENERAL PROGRAM INFORMATION

- Maximum Average CDBG Costs Per Household Benefited Requirement

Each application for CDBG General Purpose Grant funding must be structured so that project costs per household benefited do not exceed the following limits:

<u>Project Category</u>	<u>Maximum Average CDBG Cost Per Household</u>
Community Facilities	\$10,000
Public Facilities	\$10,000
Economic Development	\$10,000
Housing	\$23,000
Comprehensive	Above amounts applied as applicable

- Public Hearings

Public Hearings are major elements of the Citizen Participation Strategy. At least one hearing is required prior to submittal of the application and, if funded, another is required to assess the project's success prior to close-out. The purpose of the initial hearing is to inform citizens of the range of activities that may be undertaken with CDBG funds, to obtain the views of citizens, to respond to proposals for and questions about community development and housing needs, and to inform citizens of the proposed use of CDBG funds. The first public hearing must have been conducted within the past 18 months. Both hearings must be handicap-accessible, and be well-advertised to encourage citizen participation, particularly by low- and moderate-income people who would benefit from proposed projects.

- Local Financial Match

No local financial match is required; however, local contribution, both financial and in-kind, is highly favored during rating and selection.

- Maximum Number of Applications

Eligible jurisdictions may submit only one application for the 1997 General Purpose cycle. It is possible for an eligible jurisdiction to apply for a CDBG General Purpose, and other CDBG Program funds within the same program year.

SECTION I: CDBG GENERAL PROGRAM INFORMATION

- Flood Plain Insurance

The applicant must provide evidence of enrollment in the National Flood Plain Insurance Program if the project will affect a flood plain.

What happens to my application when it arrives at CTED?

- ✓ The selection process for CDBG General Purpose Grant proposals consists of three stages: threshold review, rating and selection, and announcing the recipients.

Threshold Review (Stage 1)

Threshold review is conducted by CDBG Program staff to determine if each application meets eligibility and minimum application requirements. This stage typically takes about two weeks. When conducting the threshold review, Program staff may contact the applicant to resolve threshold issues. Although no new information will be requested or accepted, we advise applicants to designate someone who is knowledgeable about the project to be available during the review period. No points are awarded during this stage; however, applications failing to meet minimum threshold requirements will not advance to the rating and selection stage. All threshold requirements are listed in the Application Checklist, pages 16-19.

Rating and Selection (Stage 2)

The rating and selection process is an evaluation of each application, using criteria described in the application instructions. Applications are evaluated by project category and assigned points in five separate groups which correspond to the five primary project categories: housing, economic development, community facilities, public facilities, and comprehensive. If the state receives an application containing unrelated activities in one or more project categories, the activities will be rated separately in appropriate project categories and the total score for the application will be the sum of the proportionally weighted points awarded to each project category. Typically, applications for unrelated activities do not score well. CTED reserves the right to contact informed third parties including local, state, and federal agencies and to make site visits to assist in the evaluation process. An applicant must receive at least 250 points in order to receive funding consideration. Applications receiving scores above the minimum 250 points will be funded in rank order until available funds are exhausted.

SECTION I: CDBG GENERAL PROGRAM INFORMATION

Applications will be evaluated and assigned points based on the following:

Problem/Need Statement	175 points
Solution Statement	200 points
Benefit to Low- and Moderate-Income Households	<u>50 points</u>
TOTAL MAXIMUM SCORE	425 points

Recipients Announced (Stage 3)

When the rating process is complete, applicant jurisdictions will be listed in rank order according to assigned scores. Funding recommendations will be made to CTED Management for ranked projects with requests totaling the amount of funds available for 1997 General Purpose Grants. After receiving management approval, legislators will be notified and all applicant communities will receive written notice of the rating process results. It is expected that 1997 CDBG General Purpose Grant recipients will be announced by March 1997. Funds will be available as soon as contracting is complete.

How does the actual contracting process work once grants are announced?

- ✓ Following notification of project selection, a grant contract is negotiated and prepared for each funded jurisdiction. During the contract negotiation period, any questions regarding proposed activities, additional resources, administration costs, and other aspects of the project identified during the rating process will be discussed and resolved. Community surveys will be reviewed during this period to verify the low- and moderate-income beneficiaries. Individual grants will be awarded only in amounts appropriate to the scope of the identified problem; the proposed project activities; and the needs, resources, and administrative capacity of the applicant.

SECTION I: CDBG GENERAL PROGRAM INFORMATION

- ✓ Grants consisting of less than the amount originally requested may be awarded at the discretion of the CTED based on discussions between CDBG Program staff and the jurisdiction. The preliminary notice of project selection does not imply approval of all activities or all costs proposed in the selected application. The grant contract, once negotiated, is the legal document which governs the administration of the grant and includes:

- The amount of CDBG funds provided;
- A detailed budget for implementation of project activities and the scope of work to be completed;
- The schedule for implementation of project activities;
- The general and special terms and conditions associated with the grant; and
- The application, as approved.

No CDBG funds can be released until the grant contract has been fully executed, the environmental review has been completed, and CDBG has issued a Release of Funds letter.

SECTION II:

APPLICATION SUBMISSION

SECTION II: APPLICATION SUBMISSION

When is my application due?

- ✓ ***Applications must be submitted on or before November 15, 1996.*** An application is considered submitted if it is hand-delivered by 5:00 p.m. on November 15, 1996, or postmarked by November 15, 1996, and mailed, at minimum, first class. FAXED applications will not be accepted.

Applications postmarked or hand-delivered to CTED after these deadlines will not be eligible.

The essential procedures for preparing a CDBG General Purpose Grant application are:

- Complete the application according to instructions contained in this handbook.
- Submit an original application with original signatures, and FOUR copies to the following address:

CDBG Program
Department of Community, Trade and Economic Development
906 Columbia Street SW
Post Office Box 48300
Olympia, Washington 98504-8300

What are the format requirements?

General Application Information

- Print Size - No smaller than 10 characters per inch.
- Spacing - Double space.
- Total number of narrative pages, not including the work plan or budgets, should not exceed 25.
- Source Documentation - Provide all source documents as attachments. If the documents exceed two pages, excerpt or summarize them and note the source(s).
- Letters of Support - Letters documenting participation or support by sectors of the community, or letters verifying contribution of resources are appropriate. These letters should be submitted as attachments to the application. Letters of support received after the due date will not be considered during the application rating and selection process.

SECTION II: APPLICATION SUBMISSION

What order should application parts be assembled?

Assemble the following parts of the CDBG General Purpose Application in the order listed below:

General Project Information

- Project Summary Form
- Resolution with Certifications of Compliance
- CDBG Disclosure Report
- Community Data Summary Form
- Federal Pre-Application Planning Worksheet
- Citizen Participation Strategy
- Community Development and Housing Plan (if applicable)
- Ordinance adopting Comprehensive Plan (if applicable)
- Proof of publication stating draft Comprehensive Plan made available for public review (if applicable)

Narrative Section - Problem Need Statement

- Problem Description
- Problem Impact and Severity
- Past Effort

Narrative Section - Solution Statement

- Project Design
- Quarterly Activity Work Plan
- Alternatives Considered
- Project Impact
- Administrative Plan
- Budget Narrative and Budget Forms
- Relationship of CDBG Funds to Other Funds and Resources

Benefit To Low- and Moderate-Income Households

- Low-Income Households Benefit Table
- Narrative Explanation of How Information Was Derived
- Low-Income Worksheet

Attachments

- Documentation for Narrative Statements
- Maps
- Proof of Flood Insurance (if applicable)

What application requirements are most often overlooked by jurisdictions?

SECTION II: APPLICATION SUBMISSION

The checklist on the next page can be used as a quick reference for the most frequently omitted CDBG application requirements.

SECTION II: APPLICATION SUBMISSION

APPLICATION CHECKLIST (For Applicant Use Only)

	YES	NO														
1. Will the application (original and 4 copies) be received by 5 p.m., November 15, 1996, or postmarked first class by November 15, 1996?	_____	_____														
2. Is the Project Summary Form complete and signed by the authorized Chief Administrative Official?	_____	_____														
3. Is the lead applicant listed as an eligible jurisdiction in Appendix A of the appendices?	_____	_____														
4. Does the application contain a copy of the signed resolution, with Certifications of Compliance adopted through formal action by the governing body (i.e., City Council, County Board of Commissioners), which certifies compliance with state and federal laws and requirements?	_____	_____														
5. Has the lead applicant submitted only one General Purpose application?	_____	_____														
6. Does the application contain only eligible activities and costs as per CDBG guidelines?	_____	_____														
7. Is the request within the \$750,000 limit?	_____	_____														
8. Does the average CDBG cost per household meet the following limits?	_____	_____														
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Maximum Average CDBG</th> </tr> <tr> <th style="text-align: left;"><u>Project Category</u></th> <th style="text-align: left;"><u>Cost Per Household</u></th> </tr> </thead> <tbody> <tr> <td>Community Facilities</td> <td>\$10,000</td> </tr> <tr> <td>Public Facilities</td> <td>\$10,000</td> </tr> <tr> <td>Economic Development</td> <td>\$10,000</td> </tr> <tr> <td>Housing</td> <td>\$23,000</td> </tr> <tr> <td>Comprehensive</td> <td>Above amounts applied as applicable</td> </tr> </tbody> </table>			Maximum Average CDBG		<u>Project Category</u>	<u>Cost Per Household</u>	Community Facilities	\$10,000	Public Facilities	\$10,000	Economic Development	\$10,000	Housing	\$23,000	Comprehensive	Above amounts applied as applicable
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Housing	\$23,000															
Comprehensive	Above amounts applied as applicable															
9. Has evidence of enrollment in the National Flood Plain Insurance Program been provided?	_____	_____														

SECTION II: APPLICATION SUBMISSION

- | | | |
|---|-------|-------|
| 10. Is the CDBG Disclosure Report completed, signed by authorized Chief Administrative Official, and included with the application? | _____ | _____ |
| 11. Has the Community Data Summary Form been completed and included in the application? | _____ | _____ |
| 12. Has the Federal Pre-Application Planning Worksheet been completed and included in the application? | _____ | _____ |
| 13. Has the Citizen Participation Strategy been enclosed with the application and does it address the following requirements? | | |
| • CDBG Public Hearings | _____ | _____ |
| • Availability of Funds and Eligibility Announcements | _____ | _____ |
| • Response to Requests for Assistance in Developing Proposals | _____ | _____ |
| • Opportunity to Comment on Proposed Application | _____ | _____ |
| • Grievance Procedure | _____ | _____ |
| • Ongoing Citizen Participation Process | _____ | _____ |
| • Accessibility to meeting location or translators needed | | |
| 14. If a Community Development and Housing Plan is required, does the plan include: | | |
| • A community needs statement which identifies and prioritizes both the community development and housing needs of the entire applicant jurisdiction? | _____ | _____ |
| • A description of how the jurisdiction proposes to respond to the community needs identified? | _____ | _____ |
| • An outline of the decision-making process used to choose the project to be submitted to the CDBG Program for funding, including how a CDBG hearing was incorporated into the decision-making process? | _____ | _____ |
| 15. If Comprehensive Plan is final and on file, is a copy of the ordinance adopting or amending it enclosed with the application? | _____ | _____ |

SECTION II: APPLICATION SUBMISSION

16. If applicant is using a draft Comprehensive Plan on file with the state to meet the Federal Pre-Application requirement, is a copy of the publication stating the draft Comprehensive Plan is available for public review included with the application? _____
17. Are the appropriate parts and forms complete and assembled in the appropriate order as listed on page 15. _____
18. Does the project principally benefit LMI persons? _____
19. Does each listed activity benefit at least 51% low- and moderate-income households? _____
20. Are the survey results documented and valid according to method and sample size? See chart below for appropriate sample size. (1990 census figures from Appendix G or as agreed to with CDBG Program staff will be accepted as valid in lieu of a survey). _____

Required Sample Group Sizes For Universes of Various Sizes	
Column A	Column B
<u>Number of Households in the Universe</u>	<u>Sample Group Size Needed to Complete Responses Required</u>
1-55	50
56-63	55
64-70	60
71-77	65
78-87	70
88-99	80
100-115	90
116-133	100
134-153	110
154-180	125
181-238	150
239-308	175
309-398	200
399-650	250
651-1,200	300
1,201-2,700	350
2,701 or more	400

21. When census data, rather than a survey, is used to determine percent _____

SECTION II: APPLICATION SUBMISSION

of LMI and the community is not listed in Appendix G, is a map of official census tracts, correlating to project area included?

22. Is a clear, readable map of the jurisdiction and the target area included in the application?

SECTION III:

GENERAL APPLICATION INSTRUCTIONS, REQUIREMENTS, AND FORMS

This section contains the following General Application Instructions, Requirements, and Forms which must be completed and returned as part of the application package:

SECTION III: GENERAL APPLICATION INSTRUCTIONS, REQUIREMENTS, AND FORMS

- Part A PROJECT SUMMARY FORM (with instructions)
- Part B SAMPLE RESOLUTION WITH CERTIFICATIONS OF COMPLIANCE
(with instructions)
- Part C CDBG DISCLOSURE REPORT (with instructions)
- Part D COMMUNITY DATA SUMMARY FORM
- Part E FEDERAL PRE-APPLICATION PLANNING WORKSHEET
INSTRUCTIONS
- Part F CITIZEN PARTICIPATION STRATEGY
(Instructions for developing and documenting)
- Part G COMMUNITY DEVELOPMENT AND HOUSING PLAN
(Instructions for developing, if required)
- Part H COMPREHENSIVE PLAN (Instructions for submitting, if required)
- Part I LOW-INCOME WORKSHEET (with instructions)
- Part J LOW-INCOME HOUSEHOLDS BENEFIT TABLE (with instructions)
- Part K INTRODUCTION TO THE CDBG PROJECT BUDGET:
 - 1. BUDGET ASSUMPTION INSTRUCTIONS
 - 2. CDBG PROJECT BUDGET FORM (with instructions)
 - 3. OPERATIONS BUDGET FORM (with instructions)

PART A PROJECT SUMMARY FORM

<p>1. Applicant Jurisdiction: _____ Address: _____ _____ Phone: _____ FAX: _____ Tax ID #: _____</p>	<p>2. Contact Person: _____ Title or Affiliation: _____ Address: _____ _____ Phone: _____ FAX: _____</p>																		
<p>3. Subrecipient Organization: _____ Contact Person: _____ Address: _____ _____ Phone: _____</p>	<p>4. Consultant: _____ Address: _____ _____ _____</p>																		
<p>5. Fiscal Year from _____ to _____</p>																			
<p>6. State Legislative District: _____</p>	<p>Congressional District: _____</p>																		
<p>7. Project Summary:</p>																			
<p>8. Project Category (Please check the categories that apply. Refer to page 5 for information regarding which category to choose.)</p> <table border="0" style="width: 100%;"> <tr> <td>_____ Housing</td> <td>_____ Public Facilities</td> <td>_____ Community Facilities</td> </tr> <tr> <td>_____ Economic Development</td> <td>_____ Comprehensive</td> <td></td> </tr> </table>		_____ Housing	_____ Public Facilities	_____ Community Facilities	_____ Economic Development	_____ Comprehensive													
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_____ Economic Development	_____ Comprehensive																		
<p>9. National Objective Addressed (Please check the applicable objective.)</p> <p>_____ Principally benefits low- and moderate-income households, ____%</p> <p>_____ Prevents or eliminates slums or blight</p> <p>_____ Meets urgent community development needs which pose a serious and immediate threat to public health or safety</p>																			
<p>10. Total Project Budget:</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 40%;">CDBG</td> <td style="width: 10%;"></td> <td style="width: 50%;">\$ _____</td> </tr> <tr> <td>Other Federal</td> <td></td> <td>_____</td> </tr> <tr> <td>State</td> <td></td> <td>_____</td> </tr> <tr> <td>Local Public</td> <td></td> <td>_____</td> </tr> <tr> <td>Private</td> <td></td> <td>_____</td> </tr> <tr> <td>TOTAL</td> <td></td> <td>\$ _____</td> </tr> </table>		CDBG		\$ _____	Other Federal		_____	State		_____	Local Public		_____	Private		_____	TOTAL		\$ _____
CDBG		\$ _____																	
Other Federal		_____																	
State		_____																	
Local Public		_____																	
Private		_____																	
TOTAL		\$ _____																	
<p>11. Certification of Chief Administrative Official</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"> <p>_____ Signature</p> <p>_____ Name (Please type or print)</p> </td> <td style="width: 50%;"> <p>_____ Title</p> <p>_____ Date</p> </td> </tr> </table>		<p>_____ Signature</p> <p>_____ Name (Please type or print)</p>	<p>_____ Title</p> <p>_____ Date</p>																
<p>_____ Signature</p> <p>_____ Name (Please type or print)</p>	<p>_____ Title</p> <p>_____ Date</p>																		

PROJECT SUMMARY FORM INSTRUCTIONS

The Project Summary Form serves as the cover page for the application and should be the first page inside the cover.

1. The applicant jurisdiction must be a nonentitlement city or county (see Appendix A) The Tax Identification number is usually a "91-" number.
2. Provide information on the person to be contacted, should more information regarding the threshold requirements or project proposal be needed by the CTED staff.
3. Provide information on any subrecipient organization that will benefit from the project or receive CDBG funds as a pass through.
4. Provide information on the consultant used to develop the proposal, if applicable.
5. List the month and day of the beginning and end dates of the applicant's fiscal year.
6. List the numbers of the state and congressional districts.
7. Provide a brief project summary, highlighting what is to be accomplished and the major elements of the project.
8. Indicate which CDBG Program national objective this application addresses. Also list the percentage of low- and moderate-income (LMI) benefit, as documented with the LMI Benefit Worksheet. All General Purpose Grants must address the national object of "principally benefiting low- and moderate-income households" by meeting threshold requirements. It is not necessary to address more than one national objective.
9. List the project budget. These amounts must correspond with the Budget Forms in Part K.
10. This form must be signed by the Chief Administrative Official (mayor, county commission chair, county administrator, or city manager as applicable). **An original signature must be submitted.** Please clearly state the official's name and title.

PART B

SAMPLE RESOLUTION WITH CERTIFICATIONS OF COMPLIANCE

WHEREAS, (Name of city, town, or county) is applying to the state Department of Community, Trade, and Economic Development for funding assistance;

WHEREAS, it is necessary that certain conditions be met as part of the application requirements;

WHEREAS, (Name of Chief Administrative Official and title) is authorized to submit this application to the State of Washington on behalf of (Name of city, town, or county);

NOW, THEREFORE, be it resolved that the (Name of city, town, or county) authorizes submission of this application to the state Department of Community, Trade and Economic Development to request \$ (amount of funding requested) to (project description), and certifies that, if funded, it:

Will comply with applicable provisions of Title I of the Housing and Community Development Act of 1974, as amended, and other applicable state and federal laws;

Has adopted, a Community Development and Housing Plan that meets, at a minimum, the requirements of Title I of the Housing and Community Development Act of 1974, as amended; or has a draft or Final GMA Comprehensive Plan on file with the state Department of Community, Trade and Economic Development;

Has adopted and is following a Citizen Participation Strategy which provides opportunities for citizen participation comparable to the state's requirements (those described in Section 104(a)(2)(3) of the Housing and Community Development Act of 1974, as amended); has complied with all public hearing requirements and provided citizens, especially low- and moderate-income persons, with reasonable advance notice of, and the opportunity to present their views during the assessment of community development and housing needs, during the review of available funding and eligible activities, and on the proposed activities;

Has provided technical assistance to citizens and groups representative of low- and moderate-income persons that request assistance in developing proposals;

Will provide opportunities for citizens to review and comment on proposed changes in the funded project and program performance;

Will not use assessments against properties owned and occupied by low- and moderate-income persons or charge user fees to recover the capital costs of CDBG-funded public improvements from low- and moderate-income owner-occupants;

Will establish a plan to minimize displacement as a result of activities assisted with CDBG funds; and assist persons actually displaced as a result of such activities, as provided in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended;

SUBMIT THIS FORM WITH THE APPLICATION

Will conduct and administer its program in conformance with Title VI of the Civil Rights Act of 1964 and the Fair Housing Act, and will affirmatively further fair housing, (Title VIII of the Civil Rights Act of 1968); and

Has adopted (or will adopt) and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and has adopted (or will adopt) and implement a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstration within its jurisdiction, in accordance with Section 104(1) of the Title I of the Housing and Community Development Act of 1974, as amended.

(Name of city, town, or county) designates (name of city manager, county administrator, mayor) as the authorized Chief Administrative Official and authorized representative to act in all official matters in connection with this application and (Name of city, town, or county)'s participation in the Washington State CDBG Program.

Signature_____ Date_____

Name_____

Title_____

Attested_____ Date_____

INSTRUCTIONS FOR THE RESOLUTION WITH CERTIFICATIONS OF COMPLIANCE

The applicant's local legislative body must pass a resolution authorizing the chief administrative official to submit the CDBG application to CTED and certifying compliance with state and federal laws and specific program requirements.

The resolution must be signed by the authorized chief administrative official, and a signed copy must be included with the application. The chief administrative official is the mayor, county commission chair, county administrator, or city manager.

PART C

CDBG DISCLOSURE REPORT

PART I - APPLICANT/GRANTEE INFORMATION

1. Applicant/grantee name, address and phone number

2. Indicate whether this is:

Initial Report	Update Report
•	•

- Federal employer identification number: _____

3. Project Assisted/to be Assisted.
 - a. Fiscal year: _____
 - b. Entitlement grant(s) •
Competitive grant •
 - c. Amount requested/received: _____
 - d. Program income to be used with c. above: _____
 - e. Total of c and d: _____

PART II - THRESHOLD DETERMINATIONS

1. Is the amount listed at 3.e (above) more than \$200,000? Yes • No •
2. Have you received or applied for other HUD assistance (through programs listed in Appendix A of the instructions) which when added to 3.e (above) amounts to more than \$200,000? Yes • No •

If the answer to either 1 or 2 of this part is "yes", then you must complete the remainder of this report.

If the answer to both 1 and 2 of this part is "no", then you are not required to complete the remainder of this report, but you must sign the following certification.

I hereby certify that this information is true.

(Chief Administrative Official)

Date

CDBG DISCLOSURE REPORT

PART III - OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR

1. Provide the requested information for any other Federal, State and/or local governmental assistance, on hand or applied for, that will be used in conjunction with the CDBG grant. (See Appendix A of the instructions).

Name and Address of Agency Providing or to Provide Assistance	Program	Type of Assistance	Amount Requested or Provided

CDBG DISCLOSURE REPORT

PART IV - INTERESTED PARTIES

Alphabetical List of All Persons With a Reportable Financial Interest in the Project	Social Security Number or Employer ID Number	Type of Participation in Project	Financial Interest in Project in \$ and %

CDBG DISCLOSURE REPORT

PART V - EXPECTED SOURCES AND USES OF FUNDS

This Part requires that you identify the sources and uses of all assistance, including CDBG, that have been or may be used in the project.

Source	Use

PART VI - CERTIFICATION

I hereby certify that the information provided in this disclosure is true and correct and I am aware that any false information or lack of information knowingly made or omitted may subject me to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, I am aware that if I knowingly and materially violate any required disclosure of information, including intentional nondisclosure, I am subject to a civil money penalty not to exceed \$10,000 for each violation.

(Chief Administrative Official)

(Date)

PART C

INSTRUCTIONS FOR CDBG DISCLOSURE REPORT

All applicants for CDBG funds must complete and submit with their application Parts I and II of the Disclosure Report. At the completion of Part II of the report, some applicants will find that they must complete Parts III, IV, V, and VI of the report. Parts II and VI (if applicable) must be signed by the Chief Administrative Official (mayor, county commission chair, county administrator, or city manager).

Part I requires the applicant's name, address, phone, and Federal Employer Identification Number; indications as to whether this is an initial report or an update; the fiscal year CDBG funds subject to the disclosure; a check as to whether the disclosure is related to an entitlement; the amount of any CDBG program income that will be used with the proposed CDBG funds; and, the total amount (proposed funds and program income).

Part II asks two questions. If the answer to both questions is "no", the applicant must provide the certification at the end of Part II, but is not required to complete the remainder of the report. If the answer to either question is "yes", then the applicant must provide the certification at the end of Part II, and complete the remainder of the report. Following these instructions is a list of all the HUD Programs that are subject to these disclosure requirements.

Part III requires information on any other government assistance that is to be used in conjunction with the proposed CDBG project. "Other government assistance" means any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other assistance (administered by federal, state, or a unit of general local government) other than that requested in the application.

Part IV requires the identification of interested parties. Interested parties are persons and entities with a reportable financial interest in the project. If an entity is being disclosed, the disclosure in Part IV must include an identification of each officer, director, principal stockholder, or other official of the entity. All consultants, developers, or contractors involved in the application for CDBG assistance, or in the planning, development, or implementation of the project, must be identified as an interested party. Also, any other person or entity that has a pecuniary interest in the project that exceeds \$50,000 or ten percent of the CDBG assistance, whichever is lower, must be listed as an interested party. Pecuniary interest means any financial involvement in the project, including (but not limited to) situations in which a person or entity has an equity interest in the project, shares in any profit or resale or any distribution of surplus cash or other assets of the project, or receives compensation for any goods or services provided in connection with the project. (The following are not considered interested parties: local CDBG administration staff, recipients of housing rehabilitation assistance, and rehabilitation contractors as long as the rehabilitation agreement is between the property owner and the contractor.)

It is realized that at the time of application, applicants may not be aware of all interested parties since contracts and agreements for goods and services are not generally awarded until after notice of grant award. Subsequent to grant award, as projects are being implemented, funds will be committed to interested parties which will necessitate the submission of an updated Disclosure Report. However, if an applicant for CDBG funds identifies, under Part III of the Disclosure

Report, other governmental assistance that is to be used in conjunction with projects funded with CDBG funds, and if these other funds have been committed to interested parties, then these interested parties must be identified in Part IV of the initial report.

Part V requires applicants to identify the sources and uses of all funds to be used in conjunction with the CDBG-funded project. The sources and uses must include all the other assistance identified in Part III, as well as the CDBG funds identified in Part I, items 3.c) and 3.d). Sources should be listed, with the amount, in descending order. The amount and sources should be the same as those reported in the application.

Part VI requires the certification of the authorized Chief Administrative Official.

LIST OF HUD PROGRAMS

This is a list of all the HUD Programs that are subject to the disclosure requirements of Subpart C of 24 CFR Part 12. All applicants for CDBG funds must review this list to determine if they are receiving, or expect to receive, assistance from other covered programs in addition to CDBG funds. Applicants must consider HUD funds that are received either directly from HUD or through the state. The state-administered CDBG Program is listed at item 3(v).

Applicants should use the total amount of funds received from all the sources identified below to answer the second question of Part II of the Disclosure Report.

- (1) Section 312 Rehabilitation Loans under 24 CFR part 510, except loans for single family properties.
- (2) Applications for grant amounts for a specific project or activity under the Rental Rehabilitation Grant program under 24 CFR part 511, made to:
 - (i) A state grantee under Subpart F;
 - (ii) A unit of general local government or a consortium of units of general local government or a consortium of units of general local government receiving funds from a state or directly from HUD whether or not by formula under Subparts D, F, and G; and
 - (iii) HUD, for technical assistance under section 511.3.

(Excludes formula distribution to states, units of general local government, or consortia of units of general local government under Subparts D and G, within-year reallocations under Subpart D, and the HUD-administered Small Cities program under Subpart F.)

- (3) Applications for grant amounts for a specific project or activity under Title I of the Housing and Community Development Act of 1974 made to:
 - (i) HUD, for a Special Purpose Grant under Section 105 of the Department of Housing and Urban Development Reform Act of 1989 for technical assistance, the Work Study program or Historically Black colleges;
 - (ii) HUD, for a loan guarantee under 24 CFR part 470, Subpart M;
 - (iii) HUD, for a grant to an Indian tribe under Title I of the Housing and Community Development Act of 1974; and
 - (iv) HUD, for a grant under the HUD-administered Small Cities program under CFR part 570, Subpart F; and
 - (v) A state or unit of general local government under 24 CFR part 570.
- (4) Applications for grant amounts for a specific project or activity under the Emergency Shelter Grants program under 24 CFR part 576 made to a state or to a unit of general local government, including a Territory.

(Excludes formula distributions to states and units of general local government (including Territories); reallocations to states, units of general local government (including Territories) and non-profit organizations; and applications to an entity other than HUD or state or unit of general local government.)

- (5) Transitional Housing under 24 CFR part 577.
- (6) Permanent Housing for Handicapped Homeless Persons under 24 CFR part 578.
- (7) Section 8 Housing Assistance Payments (only project-based housing under the Existing and Moderate Rehabilitation programs under 24 CFR part 882, including the Moderate Rehabilitation program for Single Room Occupancy Dwellings for the Homeless under Subpart H).
- (8) Section 8 Housing Assistance Payments for Housing for the Elderly or Handicapped under 24 CFR part 885.
- (9) Loans for Housing for the Elderly or Handicapped under Section 202 of the Housing Act of 1959 (including operating assistance for Housing for the Handicapped under Section 162 of the Housing and Community Development Act of 1987 and Seed Money Loans under Section 106(b) of the new Housing and Urban Development Act of 1968).
- (10) Section 8 Housing Assistance Payments - Special Allocations - under 24 CFR part 886.
- (11) Flexible Subsidy under 24 CFR part 219 - both Operating Assistance under Subpart B and Capital Improvement Loans under Subpart C.
- (12) Low-Rent Housing Opportunities under 24 CFR part 904.
- (13) Indian Housing under 24 CFR part 905.
- (14) Public Housing Development under 24 CFR part 941.
- (15) Comprehensive Improvement Assistance under 24 CFR part 968.
- (16) Resident Management under 24 CFR part 964, Subpart C.
- (17) Neighborhood Development Demonstration under Section 123 of the Housing and Urban-Rural Recovery Act of 1983.
- (18) Nehemiah Grants under 24 CFR part 280.
- (19) Research and Technology Grants under Title V of the Housing and Urban Development Act of 1970.
- (20) Congregate Services under the Congregate Housing Services Act of 1978.
- (21) Counseling under Section 106 of the Housing and Urban Development Act of 1968.

- (22) Fair Housing Initiatives under 24 CFR part 125.
- (23) Public Housing Drug Elimination Grants under Section 5129 of the Anti-Drug Abuse Act of 1988.
- (24) Fair Housing Assistance under 24 CFR 111.
- (25) Public Housing Early Childhood Development Grants under Section 222.
- (26) Mortgage Insurance under 24 CFR Subtitle B, Chapter II (Only multifamily and non-residential).
- (27) Supplemental Assistance for Facilities to Assist the Homeless under 24 CFR part 579.
- (28) Shelter Plus Care Assistance under Section 837 of the Cranston-Gonzalez National Affordable Housing Act.
- (29) Planning and Implementation Grants for HOPE for Public and Indian Housing Homeownership under Title IV, Subtitle A, of the Cranston-Gonzalez National Affordable Housing Act.
- (30) Planning and Implementation Grants for HOPE for Homeownership of Multifamily Units under Title IV, Subtitle B, of the Cranston-Gonzalez National Affordable Housing Act.
- (31) HOPE for Elderly Independence Demonstration under Section 803 of the Cranston-Gonzalez National Affordable Housing Act.

PART D**COMMUNITY DATA SUMMARY FORM**

The Community Data Summary Form provides general demographic and financial information regarding the applicant jurisdiction and the project.

The information is used by the CDBG review team to analyze and compare similar projects.

1. GENERAL DEMOGRAPHICS

- a. Population in jurisdiction _____
- b. Population in the target area if smaller or larger than the jurisdiction (Line 15 of Low-Income Worksheet) _____
- c. Number of households in jurisdiction _____
- d. Number of households in the target area if smaller or larger than the jurisdiction _____
- e. Percent of residents by race/ethnic origin within the jurisdiction or target area
- | | |
|-----------------------------------|---|
| _____ % White | _____ % Hispanic |
| _____ % Black | _____ % Native American or Alaskan Native |
| _____ % Asian or Pacific Islander | _____ % Other _____ (Please specify) |
- f. Jurisdiction unemployment rate for the most current year from Washington State Employment Security Department _____

2. LOCAL FINANCIAL CONDITION

Note: Applications in support of a special purpose district need answer only those questions applicable to the target district. If the jurisdiction is not authorized under state law to levy any one of the following taxes or rates, insert N/A in the appropriate space.

- a. Total current regular-levy (non-voter approved) property tax rate per \$1,000 assessed valuation (exclude port, hospital, fire, cemetery) _____
- b. Maximum regular levy property tax rate per \$1,000 valuation. The amount which can be obligated. _____
- c. Does the current rate reflect a tax increase equivalent to the 106 percent debt levy limit? (Circle one) YES NO

3. FLOOD PLAIN INSURANCE PROGRAM

- a. Will the proposed project affect a flood plain? (Circle one) YES NO
b. Will the proposed project be located in a flood plain? (Circle one) YES NO

If the answer to either (a) or (b) is YES, then the jurisdiction must be enrolled in the National Flood Plain Insurance Program, and **documentation of enrollment must be provided**.

For public facilities proposals and comprehensive proposals which include public facilities activities, please complete the following:

4. UTILITY RATES

For systems that do not charge by cubic foot of water, convert your rate into a charge for cubic feet or estimate the charge on that basis. Use the residential rate for all utilities.

- a. Current monthly single-family residential rate for use of 1,000 cubic feet of water or sewer, and flat rate for garbage:

Water \$ _____ Sewer \$ _____ Garbage \$ _____

- b. Anticipated monthly residential utility rate for use of 1,000 cubic feet of water or sewer after completion of project without CDBG assistance:

Water \$ _____ Sewer \$ _____ Garbage \$ _____

- c. Anticipated monthly residential utility rate for use of 1,000 cubic feet of water or sewer after completion of project with CDBG assistance:

Water \$ _____ Sewer \$ _____ Garbage \$ _____

- d. Month/year of most recent increase for each utility:

Water ____ / ____ Sewer ____ / ____ Garbage ____ / ____

- e. Amount and percent of most recent increase:

Water \$ _____ Sewer \$ _____ Garbage \$ _____

Water _____ % Sewer _____ % Garbage _____ %

PART E

FEDERAL PRE-APPLICATION PLANNING WORKSHEET

OPTION A: Community Development and Housing Plan

1. _____ We have submitted a current Community Development and Housing Plan, developed within the past 18 months, with this application. (See Instructions for Developing and Documenting a Community Development and Housing Plan, Part G, for assistance.)

AND

2. _____ A Citizen Participation Strategy has been adopted and is attached. (See the Instructions in Part F for Developing and Documenting a Citizen Participation Strategy.)

OPTION B: Comprehensive Plan

1. _____ We have a Comprehensive Plan developed in accordance with GMA on file with the state Department of Community, Trade and Economic Development. Check one of the following:

_____ The Comprehensive Plan is a draft.

A copy of the publication stating the draft Comprehensive Plan is available for public review is attached.

OR

_____ The Comprehensive Plan is final.

A copy of the ordinance adopting the Comprehensive Plan, developed in accordance with GMA, is attached. If the Comprehensive Plan has been updated, provide a copy of the ordinance adopting the update.

AND

2. _____ A Citizen Participation Strategy has been adopted and is attached. (See the Instructions in Part F for Developing and Documenting Citizen Participation Strategy Guidelines for assistance.)

INSTRUCTIONS FOR FEDERAL PRE-APPLICATION PLANNING WORKSHEET

Title I of the Housing and Community Development Act of 1974, as amended, requires each applicant to identify its community development and housing needs, including the needs of low- and moderate-income persons, through a documented citizen participation process. To meet this requirement, the jurisdiction must submit a Citizen Participation Strategy and have either a Community Development and Housing Plan (Option A) or a Comprehensive Plan (Option B).

A Community Development and Housing Plan is not required if the jurisdiction has a Comprehensive Plan, developed in accordance with the Growth Management Act (GMA), and meets the federal Citizen Participation Strategy requirements.

Submit this worksheet to indicate how you are meeting the federal pre-application planning requirements.

Check which pre-application planning option applies (A or B) and follow the instruction provided in Part F and Part G or Part H of Section III: GENERAL APPLICATION INSTRUCTIONS, REQUIREMENTS, AND FORMS as appropriate.

PART F

INSTRUCTIONS FOR DEVELOPING AND DOCUMENTING A CITIZEN PARTICIPATION STRATEGY

The Citizen Participation Strategy is a locally approved document consisting of a: description of the jurisdiction's process for seeking and obtaining citizen participation leading up to application submittal; the process for ensuring ongoing citizen participation; and a grievance procedure.

The Citizen Participation Strategy must be adopted, approved, and signed by the authorized chief administrative official of the jurisdiction. It can be adopted and approved through the Resolution with Certifications of Compliance (see page 24)

The Citizen Participation Strategy must be submitted with the Federal Pre-Application Planning Worksheet. The components of the Citizen Participation Strategy are:

- When/Where a Public Hearing to consider projects which could be funded by CDBG will be held so that it is accessible to the general public;
- How Announcement of Availability of funds will be made;
- How Requests for Assistance will be responded to;
- How Opportunities to Comment on proposed application will be provided;
- What is the ongoing Citizen Participation Process; and
- What is the Grievance Procedure and how will it be made public?

DOCUMENTATION REQUIREMENTS FOR THE CITIZEN PARTICIPATION STRATEGY CONSIST OF:

Leading Up to Application Submittal

1. CDBG Public Hearing

Provide a copy of the public hearing notice and affidavit of publication with the application to be considered for federal funds, indicating the purpose, location, time, and documentation of when and how such notice was made public. The notice should also indicate what accommodations were available for handicapped and non-English speaking persons attending the public hearing.

SUBMIT A CITIZEN PARTICIPATION STRATEGY WITH THE APPLICATION

At least one hearing is required prior to submittal of the application and, if funded, another is required to assess the project prior to close-out. The purpose of these hearings is to inform citizens of the range of activities that may be undertaken with CDBG funds, to obtain the view of citizens, to respond to proposals for and questions about community development and housing needs, and to inform citizens of the proposed use of CDBG funds. To be acceptable, the first public hearing must have been conducted within the past 18 months and must have been well-advertised. There must be reasonable notice of the hearing, in accordance with local public hearing notice standards (generally 7-21 days prior to the hearing date). The hearing must be held at a time and location convenient to potential beneficiaries, with accommodations for persons with disabilities. Public hearings must be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate. It is recommended to hold additional community meetings as needed to ensure citizen participation.

The public hearing must be conducted by the applicant city or county. Special district hearings are not acceptable.

2. Availability of Funds and Eligible Activities Announcement

Provide a description of how citizens will be informed of the amount of funds expected to be made available and the range of activities that are eligible for funding. Ideally, this information is shared before the project activity is selected. ***Documentation consists of the description and how the jurisdiction's plan was carried out. Examples of this documentation could include publication notices, agendas for meetings, and minutes of meetings.***

-NOTE-

The CDBG Program encourages the use of a Request for Proposals (RFP) process to announce the availability of funds. An RFP invites community groups to submit their project proposals to the jurisdiction making application. The review of proposals, and their relation to the Comprehensive Plan, or the Community Development and Housing Plan, can be conducted during the required public hearing.

3. Respond to Requests for Assistance in Developing Proposals

Provide a description of how the jurisdiction will share application information and provide technical assistance to groups representative of low- and moderate-income and special needs populations that requested assistance in developing CDBG proposals. (*Documentation consists of letters from groups seeking support, meeting notices, lists of attendees.*)

4. Opportunity to Comment on Proposed Application

Provide a description of how citizens will be provided reasonable advance notice of and opportunity to comment on the proposed application to the state. This opportunity can be during a second public hearing or through an announcement of when and where copies of the

SUBMIT A CITIZEN PARTICIPATION STRATEGY WITH THE APPLICATION

application are available for review and comment. (*Documentation consists of letters to the public, newspaper articles, and public notices.*)

Ongoing Citizen Participation Process

Provide a description of how citizens, particularly those affected by the proposed project, will have an opportunity to contribute to, comment on, or be involved in the specific project activities. Since a public hearing must be conducted before the project is complete to review performance and receive comments from citizens, it could be included in the description of ongoing citizen participation. This public hearing should be built into the project's Quarterly Work Plan.

Note that another public hearing will be required if activities are proposed to be added, deleted, or substantially changed from the CDBG contract, if funded.

Grievance Procedure

Provide a written grievance procedure and documentation that citizens were made aware of the procedure.

The specifics of a grievance procedure will vary from jurisdiction to jurisdiction. A grievance procedure describes how the community will review and resolve grievances related to the application and its subsequent project, provide citizens with the name of the contact person, address, and phone number, and times for submitting complaints and grievances, and provide timely written answers to written complaints and grievances within 15 working days where practicable. Sample grievance procedures are available from CDBG Program staff upon request.

**(OPTION A)
PART G**

**INSTRUCTIONS FOR DEVELOPING AND DOCUMENTING
A COMMUNITY DEVELOPMENT AND HOUSING PLAN**

The first of the two options for meeting the federal pre-application planning requirements is completion of the Community Development and Housing Plan along with the Citizen Participation Strategy in Part F. This part documents Option A.

General Overview

The Community Development and Housing Plan is an approved document consisting of a description of the jurisdictions' identification of and response to local needs, and the decision-making process used to select which of the local needs should be submitted for CDBG funding. Additional questions regarding the specifics of a Community Development and Housing Plan should be directed to the CDBG Program. To satisfy the federal pre-application planning requirements under Option A, the following conditions must be met:

1. The applicant must submit a current (within past 18 months), adopted Community Development and Housing Plan with the application. Existing Community Development and Housing Plans may be updated and made current through a community involvement process.

In no more than 10 pages, the Community Development and Housing Plan must include:

Identification of Local Needs

Provide a community needs statement which identifies and prioritizes both the community development and housing needs of the entire applicant jurisdiction, including the needs of low- and moderate-income citizens. Community needs which are to be reviewed include economic development, public facilities, housing, historic preservation, and social service needs. Existing sources of community needs data can be compiled and reviewed to contribute to the development of this community needs statement (see Appendix D, Data Sources for assistance), or the jurisdiction may choose to conduct a community-wide needs survey. A Community Survey Guide is available in Appendix E.

Response to Local Needs

Describe how the jurisdiction proposed to respond to the community needs identified. Specifics on potential funding sources, strategies, and organizations/departments to be involved are

useful. Describe any assistance provided to community groups representing low- and moderate-income or special needs populations to develop a proposal.

Decision-Making Process

Outline the decision-making process used to choose the project to be submitted to the CDBG Program for funding. Include how the CDBG public hearing was incorporated into this decision-making process.

The CDBG Program encourages the use of a Request For Proposals (RFP) process to assist in the decision-making process. The review of proposals can be conducted during the required public hearing.

Refer to the Community Development and Housing Plan Guidelines in Appendix D for further guidance in preparing the Community Development and Housing Plan. By meeting the above requirements, the plan will pass threshold. Rating points are no longer awarded for the Community Development and Housing Plan.

2. Attach the Citizen Participation Strategy to the Federal Pre-Application Planning Worksheet. (See Section III, Part F, for specific information regarding development of the Citizen Participation Strategy.)

(OPTION B)
PART H

INSTRUCTIONS FOR DOCUMENTING A COMPREHESIVE PLAN

The second of the two options for meeting the federal pre-application plan requirements is the Comprehensive Plan along with the Citizen Participation Strategy in Part F. A Community Development and Housing Plan is **not required** if the jurisdiction has a Comprehensive Plan, developed in accordance with the Growth Management Act, and meets the federal Citizen Participation Strategy requirements. This part documents Option B.

General Overview

The Comprehensive Plan is required from all communities located in growth designated counties, or in counties which have opted into the growth management process, to meet the Growth Management Act of 1990.

Comprehensive Plans, under the Growth Management Act of 1990, must contain the following elements:

- | | | |
|------------|------------------|------------------------|
| ■ Land Use | ■ Utilities | ■ Capital Facilities |
| ■ Housing | ■ Transportation | ■ Rural (for counties) |

The following optional elements are suggested: economic development, social services, conservation, solar energy, recreation, and sub-area plans, where appropriate.

Additional questions regarding the specifics of a Comprehensive Plan should be directed to the local planning agency responsible for compliance with the Growth Management Act. To satisfy the federal pre-application plan requirements under Option B, the following conditions must be met:

1. The applicant must have a draft or an adopted Comprehensive Plan already on file with the state Department of Community, Trade and Economic Development (CTED).

Attach a copy of the publication stating the draft Comprehensive Plan is available for public review or a copy of the ordinance adopting or amending the Comprehensive Plan to the Federal Pre-Application Planning Worksheet.

If the proposed project is not supported by the Comprehensive Plan, describe how the proposed project is consistent with the local community development strategies and priorities and attach to the Federal Pre-Application Planning Worksheet.

2. Attach the Citizen Participation Strategy to the Federal Pre-Application Planning Worksheet. (See Section III, Part F, for specific information regarding development of the Citizen Participation Strategy.)

PART I**LOW-INCOME WORKSHEET****Summary of Income Survey Results****(Low-Income Worksheet is required only when an income survey is accomplished)**

1. Enter the current estimated total number of households in the target area. 1. _____
2. Enter the total number of households interviewed. 2. _____
3. Enter the total number of low- and moderate-income households interviewed. 3. _____
4. Enter the total number of person living in the low- and moderate-income households interviewed. 4. _____
5. Enter the total number of households interviewed in which the income was above the low- and moderate-income level. 5. _____
6. Enter the total number of persons living in the households interviewed in which the income was above the low- and moderate-income level. 6. _____
7. Divide Line 4 by Line 3. (This is the average size of non-low- and moderate-income households interviewed.) 7. _____
8. Divide Line 6 by Line 5. (This is the average size of non-low- and moderate-income households interviewed.) 8. _____
9. Divide Line 3 by Line 2. (This is the percentage of households interviewed that have low- and moderate-incomes.) 9. _____
10. Divide Line 5 by Line 2. (This is the percentage of households interviewed that do not have low- and moderate-incomes.) 10. _____
11. Multiply Line 1 by Line 9. (This is the estimate of the total number of low- and moderate-income households in the target area.) 11. _____
12. Multiply Line 1 by Line 10. (This is the estimate of the total number of non-low - and moderate-income households in the target area.) 12. _____
13. Multiply Line 7 by Line 11. (This is the estimate of the total number of low - and moderate-income persons in the target area.) 13. _____
14. Multiply Line 8 by Line 12. (This is the estimate of the total number of non-low - and moderate-income persons in the target area.) 14. _____
15. Add Line 13 and Line 14. (This is the estimate of the total number of persons in the target area.) 15. _____
16. Divide Line 13 by Line 15, and multiply the resulting decimal by 100. (This is the approximate percentage of persons in the target area who have low- and moderate-incomes.) 16. _____

INSTRUCTIONS FOR LOW-INCOME WORKSHEET

The Low-Income Worksheet provides a summary of the results from the Income Survey conducted by the applicant jurisdiction for the project target area.

To complete the worksheet, follow the instructions provided in each of the numbered sentences on the worksheet. If HUD's 1990 Census Data is used to determine low- and moderate-income (LMI) status for the target area, or if the total project is a direct benefit, Part I, Low-Income Worksheet does not have to be completed.

Income surveys must be the most recently conducted since January 1991. Guidance in completing a survey is found in Appendix E.

NOTE: Jurisdictions seeking funds from U.S. Rural Development (RD) sometimes conduct surveys to determine the median income level. One survey can be conducted to meet both CDBG and RD requirements by simply asking for the actual household income and the number of persons in the household. The sample in Appendix E, Attachment 3, could be easily modified to reflect this change.

In lieu of an income survey, HUD's 1990 Census Data may be used to determine the percent of low- and moderate-income (LMI) households in the project target area. The table in Appendix G lists incorporated jurisdictions with at least a 51 percent low-income population based on HUD's 1990 Census Data. If the target area is an unincorporated community or a smaller area within an incorporated jurisdiction, contact the CDBG Program staff to determine whether it's eligible based on a smaller census designation.

PART J

LOW-INCOME HOUSEHOLDS BENEFIT TABLE
--

Please complete the following table:

A	B	C	D	E	F	G
Activity	Total Number of Households Benefited	Number of low-income Households Benefited	Benefit Index	Total CDBG Request	Total Dollars to Benefit low- income Households	National Objective

H. Total Project Benefit to Low- and Moderate-Income Households:

Total of column F _____ ÷ total of column E _____ = _____ %

I. Average Cost Per Household Benefiting:

Total of column E _____ ÷ the highest line item total of column B _____ = _____

J. **NOTE: Attach a listing of all data sources and a description of methods used to generate data for this table. If appropriate, include a sample of the survey indicating its compiled responses. When using Census Data, list the census tract(s) and provide associated maps. This must be complete to pass threshold review.**

K. When benefit on Line D is 100%, describe the process used to determine LMI eligibility.

LOW-INCOME HOUSEHOLDS BENEFIT TABLE INSTRUCTIONS

The information contained in this section of the application must be based on accurate, reliable data. This means the survey sample sizes must be of adequate size and sufficiently random to provide a statistically valid data base. In addition to serving as a basis for scoring the low- and moderate-income benefit of each project activity or part of an activity, information contained in this table will be used for the threshold review of low- and moderate-income household benefit for each activity. If the methodology or response rate is not adequate, the activity to which the benefit applies will be eliminated from consideration or the entire application may not be accepted.

Up to 50 points will be assigned for the portion of the CDBG funds used to benefit low- and moderate-income households. To determine this, applicants must use existing documentation or a survey with an adequate methodology and response rate, unless all proposed project activities will provide direct benefits based on income. The income guidelines for this program are included in Appendix C. At a minimum, 51 percent of the beneficiaries of each activity must have low or moderate incomes. One point will be assigned for each percentage point above 50 percent. Use the Low-Income Households Benefit Table on page 48 to calculate the amount of dollars budgeted to activities benefiting low- and moderate-income households. **Households must be the basis for the benefit count.** Each calculation must be accurate and the number claimed must be documented and verifiable. For more information on determining the proportion of low- and moderate-income households that will be benefited by the proposed project, refer to the Community Survey Guide, Appendix E. Consult CDBG Program staff with questions regarding computations. Following are detailed instructions for completing the Low-Income Households Benefit Table:

- Column A: List each project activity including general administration.
- Column B: For each activity or part of an activity, identify the total number of households that will be benefited.
- Column C: For each activity or part of an activity, identify the total number of low- and moderate-income households that will be benefited. For area-wide benefit projects requiring a survey, refer to Line 11 of the Low-Income Worksheet. For area-wide benefit projects where HUD's 1990 Census data is used, multiply the number in Column B by the number in Column D. Direct benefit projects will provide a 100 percent benefit to low- and moderate-income households.
- Column D: When the activity is a Direct Benefit, enter 100 percent.

- OR -

(When Income Survey is used.) Calculate the Benefit Index for each activity or partial activity, by dividing the number in Column C by the number in Column B.

- OR -

(When HUD's 1990 Census Data is used.) Refer to Appendix G of this application for a listing of jurisdictions with 51 percent low- and moderate-income population. If the project target area is an unincorporated community or a smaller area within an incorporated community and the table in Appendix G is not appropriate, contact the CDBG Program staff for additional guidance.

- NOTE -

To determine the benefit index for general administration, use the benefit index listed for the activity with the highest dollar amount in Column E (Total CDBG Request.)

- Column E: List the total amount of CDBG funds that will be used for each activity, or partial activity.
- Column F: To calculate Total Dollars to Benefit Low-Income Households for each activity or partial activity, multiply Column D by Column E. This figure represents the amount of dollars by activity or partial activity, that will benefit low- and moderate-income households.
- Column G: For each activity identified on the Low-Income Households Benefit Table, please indicate the number of the national objective it meets: (In most cases, the activity will meet the first national objective.)
1. Principally benefits low- and moderate-income households;
 2. Eliminates slums or blight; or
 3. Meets urgent community development needs which are a threat to public health or safety.
- Column H: To calculate Total Project Benefit Index, divide the total of Column F by the total of Column E. This figure represents the total benefit to low- and moderate-income households for the project.
- Column I: To calculate the Average cost Per Household Benefiting, divide the total of Column E by the highest line item total from Column B. This figure must be less than the maximum limit for the activity, as identified on page 9, Maximum Average CDBG Costs Per Household Benefited Requirement.

PART K

INTRODUCTION TO THE CDBG PROJECT BUDGET

This part of the General Application Instructions, Requirements, and Forms provides guidance for completing the CDBG Project Budget components: 1) the CDBG Project Assumptions, 2) the CDBG Project Budget Form, and 3) the Operations Budget Form.

All applicants **must** complete budget components 1 and 2. Component 3 must be completed for proposals containing Public Facility, Public Service, or Community Facility activities.

COMPONENT 1. THE BUDGET ASSUMPTIONS INSTRUCTIONS

The Assumptions provide a description of how the budget was determined. It should include an explanation and a cost estimate for each line of the CDBG Project Budget Form, and the Operations Budget Form, if applicable. The Budget Assumptions provide detail for each source of funds, the corresponding dollar amount, and explain how the different sources will be utilized.

The assumptions should include the following:

- ♦ Explanation of why the budget is reasonable and appropriate, considering the scope, substance, and duration of the proposed project.
- ♦ Explanation of why this request is reasonable and appropriate, especially if the maximum amount is requested.
- ♦ State the assumptions which support line item calculations, be detailed and specific.
- ♦ Provide a brief description of any proposed purchase of equipment that would cost over \$300.

When addressing projects which include public facility or community facility activities, the Budget Assumptions should explain and demonstrate budget projections with source of funds, explain how the applicant will continue operating the facility, and provide services after the proposed CDBG project is completed.

(This application package does not contain a sample budget assumptions format.)

APPLICANTS MUST PROVIDE THOROUGH BUDGET ASSUMPTIONS FOR EACH LINE ITEM.

COMPONENT 2: CDBG PROJECT BUDGET

Project Duration _____ Months

	Source 1	Source 2	Source 3	Total
	CDBG			
General Administration (CDBG contract execution, files and record keeping, civil rights compliance)				
Project Administration (Project Manager, Consultant Fees, Subrecipient Fees, Environmental Review, Housing Rehabilitation Administration)				
Architectural Fees				
Engineering Fees				
Acquisition				
Relocation				
Architectural Barrier Removal				
Housing Rehabilitation				
Water/sewer side connections				
Sewer Improvements				
Water Improvements				
Street Improvements				
Fire Protection				
Community Facilities				
Commercial/Industrial Facilities				
Revolving Loan Fund Program				
Public Services				
Planning				
Other, list				
Total				

COMPONENT 2: CDBG PROJECT BUDGET FORM INSTRUCTIONS

The CDBG Project Budget Form is used to provide the total budget of the proposed CDBG project, and is divided between activity costs (such as general administration, project administration, public facilities construction or housing rehabilitation).

When determining costs for the Project Budget Form, applicants should indicate only the level of funding necessary to carry out the project. The grant request must be sufficient either by itself or in combination with other proposed funding sources to assure effective administration and completion of the proposed project within the contract period.

Complete the Project Budget Form as follows; list CDBG costs in the Source 1 column and estimated costs associated with other sources (as well as the name of the other source) in the Source 2 and Source 3 columns, as needed.

Project Duration- Enter the total number of months the project will take to complete.

General Administration - Grantees should carefully complete this line item. In addition to identifying administrative expenditures, it will serve as a guide for preparing the contract and for project monitoring in the event the proposal is funded. General Administration is distinct from project administration which is defined on the next page.

If applying for CDBG administrative funds, applicants should keep in mind that grant recipients are expected to stay within this budget; administrative costs are not normally changed during the life of the project.

The following is a list of eligible general administration activities:

- ♦ Review and execution of the CDBG contract;
- ♦ Establishment of CDBG files and record keeping;
- ♦ Compliance with civil rights activities including fair housing activities, Section 504, ADA, and Title VI; and
- ♦ Contract close-out activities.

The general administration line item does not include the administrative costs for project activities such as housing, economic development, community facilities, or public facilities. General administration does not include any costs associated with the preparation of a CDBG application.

The application preparation costs are ineligible under CDBG guidelines. Please contact CDBG Program staff if you have questions concerning administration costs.

All applicants must complete the administrative line item whether they are requesting CDBG funds for administration or not. General Administration costs can be covered through local or in-kind contributions.

Items to include when computing the general administration line item include:

Personal Services -Compute all salaries, wages, and fringe benefits to be paid for general administration of the grant.

Office Costs - Compute the costs of supplies. Include postage costs, telephones, equipment leasing costs, printing and publication costs, and office costs. Publishing Fair Housing resolutions can also be costly and should be considered when preparing the budget.

Professional Services -Compute consultant costs, legal costs, and audits costs. Generally, engineering and other technical services should be entered under engineering and other technical services line items.

Other - Applicants should take into consideration any other administrative costs or expenses which may be incurred prior to administrative close-out.

Enter total costs calculated for general administration and enter under the general administration line item.

Project Administration- Enter all costs which are directly related to project implementation and carrying out the CDBG project.

The following is a list of eligible project administration activities:

- ♦ Conducting environmental reviews and preparing environmental review documents;
- ♦ Attending grant management training workshops;
- ♦ Processing payment vouchers; and
- ♦ The costs of processing applications for direct benefit projects and conducting inspections.

Architectural Fees- Enter all costs associated with the use of an architectural firm.

Engineering Fees- Enter the total engineering costs associated with the project.

Acquisition- Enter total purchase price, include the appraisal costs in addition to any closing costs associated with the acquisition of property. Explain all costs listed in the Budget Assumptions.

Relocation- List all costs associated with relocation. If you are unsure if relocation is applicable, contact the CDBG Program staff.

Architectural Barrier Removal- Enter costs associated with removing architectural barriers to bring facilities into compliance with the Americans with Disabilities Act.

Housing Rehabilitation - Enter all costs associated with housing activities if the project category of the application is housing rehabilitation or contains housing rehabilitation as part of a comprehensive application. If there are administrative, planning, architectural, or engineering costs directly associated with a specific listed housing activity, include those costs on the appropriate line item. Explain all housing activity costs in the Budget Assumptions.

- NOTE -

If a subrecipient will be used to administer housing rehabilitation activities, submit a separate project administration line item for the subrecipient's administration.

Water/Sewer Side Connections- Enter costs associated with the replacement or construction of water or side service connections. This includes all work done on private property. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item.

Sewer Improvements- Include all costs associated with construction or rehabilitation of the sewer system. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item.

Water Improvements- Enter costs associated with construction or rehabilitation of the water system. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item.

Street Improvements- Enter costs associated with construction or rehabilitation of streets. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item.

Fire Protection- List all costs associated with fire protection such as fire protection equipment or fire protection vehicles. Explain all fire protection activity costs in the Budget Assumptions.

Community Facilities - Enter all costs associated with community facilities activities if the project category of the application is community facilities or includes community facilities activities as part of a comprehensive application. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item. Explain all community facilities activity costs in the Budget Assumptions.

Commercial/Industrial Facilities- Enter all costs associated with commercial or industrial activities if the project category of the application is economic development or includes economic development activities as part of a comprehensive application. If there are administrative, planning, architectural, or engineering costs directly associated with a specific activity, include those costs on the appropriate line item. Explain all economic development activity costs in the Budget Assumptions.

Revolving Loan Fund Programs- List costs associated with setting up or retaining a revolving loan fund program. Explain all costs in the Budget Assumptions.

Public Services - Enter total public services costs. This refers to direct costs (including personnel, supplies, and travel) associated with the provisions of public services eligible under the CDBG Program. Please note: Not more than 15 percent of the total request may be used for public services, except under certain conditions specified in the law.

Planning- Enter total planning costs. This refers to proposed planning costs directly related to the overall project proposal, and is not related to the CDBG Planning-Only Grant which has its own application cycle. This could include activities such as clearance, flood control or drainage. The combined general administration costs and planning costs may not exceed 15 percent of the total funding request.

Other- List costs associated with any other activity not listed above, such as clearance, flood control or drainage activities, or parking. Explain all activities in the Budget Assumptions.

NOTE: For Comprehensive Projects - Use line items which reflect activities included in the proposal.

Total Project Budget - Enter total for each source and a grant total on the line provided.

COMPONENT 3: OPERATIONS BUDGET FORM					
BUDGET YEAR BEGINNING DATE _____					
REVENUES	1ST YEAR	2ND YEAR	3RD YEAR	4TH YEAR	5TH YEAR
1. User Fees					
a.					
b.					
2. Grants					
a.					
b.					
3. Municipal Budget Allocation					
4. Other Revenue Sources					
a.					
b.					
Total Annual Revenues					
OPERATING EXPENSES					
1. Salary, Wages, Benefits					
2. Insurance					
3. Utilities					
4. Operating Reserve					
5. Travel/Training					
6. Office Equipment/Supplies					
7. Marketing and Advertising					
8. Loan Repayments					
9. Repairs					
10. Services - Contracts					
11. Maintenance Supplies					
12. Replacement Reserve					
13. Other Expenses (specify)					
a.					
b.					
Total Annual Operating Expenses					

COMPONENT 3: OPERATIONS BUDGET FORM INSTRUCTIONS

An Operations Budget Form is required for each community facility and public facility proposals, and any other facilities-based project which will continue operating after CDBG funding is completed. The Operations Budget Form consists of a summary of projected annual revenues and operating expenses for a five year period following completion of the project.

Budget Year- Enter the beginning and ending dates of the Budget Year in the spaces provided. Start the budget year after project completion.

Instructions for the Operations Budget Form are as follows:

Revenues- Under Line 1, enter expected annual revenues from user fees, by type of user fee.

Under Line 2, enter expected annual grant amounts, by specific grant source.

Under Line 3, enter anticipated budget allocations from local units of government, by jurisdiction.

Under Line 4, detail Other Revenue Sources in the spaces provided.

Enter Total Annual Revenues.

Expenses- Under Line 1 through 12, enter the amounts of all expenses and contingency funds for items listed. Under Line 13, detail Other Expenses in the spaces provided.

Enter Total Annual Operating Expenses.

Total Annual Revenues should meet or exceed Total Annual Operating Expenses. If Total Annual Operating Expenses exceed expected Total Annual Revenues, describe in the Budget Assumptions how the facility will maintain operation.

Note: Explain each line item on the Operations Budget Form in the Budget Assumptions.

SECTION IV:

PROJECT SPECIFIC APPLICATION INSTRUCTIONS

Provides specific questions and rating criteria that must be addressed in the application. Each category of CDBG eligible projects has its own set of questions and criteria. More points will be given to applicants demonstrating measurable or quantifiable information and documentation that supports their claims.

- A. Housing
- B. Public Facility
- C. Community Facility
- D. Economic Development
- E. Comprehensive

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

Applicants applying for CDBG funds to support housing related projects have the option of applying for funds through the competitive general purpose application cycle or through the CDBG Housing Enhancement Program offered as a companion funding source to the Housing Trust Fund application process. Use this section if applying for housing-related general purpose funds to support new housing construction; watch for special instructions *in italics* for projects supporting new housing construction. For more information on the CDBG Housing Enhancement Program or housing-related general purpose program, please call Val Fieldsend at (360) 753-4307.

PROBLEM/NEED STATEMENT (175 POINTS)

1. Problem Description - 50 points

Describe the problem(s) which will be addressed by the project proposal. The narrative should cover all aspects of the problem which are objectively measurable or quantifiable and should reference source documents and their location within the application packet (Attachment I, Attachment II, etc.) When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

- Summarize the problem in one or two sentences.
- Describe the problem or need the proposal seeks to address.
- Describe the source or cause of the problem and when the community first became aware of it.
- Where is the problem located? Include a map showing the impacted area(s).

Applicants applying for housing rehabilitation projects must include the following:

- How much of the housing stock was built before 1940?
- What is the vacancy rate?
- Is there overcrowding?
- How many households are paying more than 30 percent of their income for housing, including utilities?
- Is there a waiting list for the rehabilitation project or have pre-applications been collected?

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

- Provide a map of the target area(s) with symbols which represent substandard, moderately deficient, or deteriorated housing stock.

<u>Housing Stock</u> -	<u>Criteria</u>
Substandard -	Housing unit with three or more minor defects such as deficient handrails, peeling paint, broken window frames, and other conditions that do not affect the structural integrity of the unit.
Moderately Deficient -	Housing unit with a combination of three or more structural and non-structural conditions which cause a blight on the neighborhood and may create a threat to health and safety.
Deteriorated -	Housing unit with three or more major defects such as obsolete and dangerous wiring, inadequate plumbing, the need for a new roof, the need for a new foundation, the absence of insulation, excessive overcrowding or other health or code related conditions of a similar level.

Attach documentation that validates the above information.

Rating Criteria

Points will be awarded based on how completely and clearly the applicant describes and substantiates the problem or need, including its cause, extent, location, frequency, and duration.

2. Problem Impact and Severity - 75 points

Briefly, but thoroughly, describe the impact and severity of the problem or need on the jurisdiction as a whole and on individuals in the jurisdiction. Include appropriate and specific documentation to support hardships and threats to public safety and health. Applicants should document the need for housing improvements and neighborhood revitalization that arise from the lack of affordable housing due to low incomes or an inadequate supply of rental units. Also, applicants should demonstrate the housing inadequacy of the community or target area and the nature of any blighting influences on the area.

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

The narrative should reference the source documents such as data from housing needs assessments, reports, findings, letters from official sources, and action requests which substantiate problem impacts and the degree of severity. The location within the application packet should be specified within the narrative (Attachment I, Attachment II, etc.) When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

- Describe who is being affected and cite sources.
 - How many persons in the community are affected?
 - How many low- and moderate-income persons are affected?
 - What percentage of the households within the community and within the target area (if different) are affected by the problem?
- Describe and document specific hardships caused by the problem for a typical household and low- and moderate-income persons. Examples include short- and long-term impact on quality of life, financial hardship, or deterioration of physical structures and property. Vacancy rates can be used to substantiate the impact on households, when describing housing alternatives.
- Describe the financial impacts to low- and moderate-income persons on rents, mortgages, or utilities due to the current problems.
- Describe any risks to public health and safety or housing conditions creating any blighting influences in the area. Describe and document those risks or blighting influences in the target area. Documenting risks to public health and safety include describing the type and number of defects in houses needing rehabilitation. Defects include inadequate wiring and/or plumbing, overcrowding and unsafe structures such as porches.

Documentation includes maps with details of location and defects; newspaper articles; pre-applications; waiting lists; photographs; and other documents containing relevant information.

Rating Criteria

Points will be awarded based on a comparison of applications for housing projects taking into account: the intensity and urgency of current and anticipated consequences of the problem; the number of persons affected by the problem; the degree of hardship (especially for low- and moderate-income persons/households); the concentration (ratio of substandard housing versus those units which do not need rehabilitation) and number of substandard units; the degree of risk to public health and safety; corrective action initiated by government agencies; and economic considerations.

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

3. Past Effort - 50 Points

Identify past actions and resources expended to reduce, resolve, or avoid the problem whether successful or not. **Do not include efforts required for submittal of this application.** Information regarding resources committed to the applicant's current application should be discussed in detail under Solution Statement, Part 6 - Relationship of CDBG Funds to Other Funds/Resources.

The narrative should provide the following information:

- What local funding mechanisms have been considered or used to address the problem, and why have they been inadequate or not feasible?
- What planning efforts have been made to address the problem? Has the applicant officially adopted a housing assistance plan? Has the applicant established planning and zoning policies which facilitate the construction of affordable, energy-efficient housing for low- and moderate-income households? Has the need to address the problem been identified as a priority in local or regional plan?
- Has the applicant undertaken efforts in the community and project areas to address the identified housing neighborhood revitalization needs such as improvements to public facilities; aggressive code enforcement and demolition of unsafe, vacant, substandard buildings; and community or neighborhood "clean-up", "paint-up", or "fix-up" campaigns? How have the residents, especially those directly affected by the problem, been involved in attempting to solve the problem?

Rating Criteria

Points will be awarded based on a comparison of all applications for housing projects taking into account the applicant's ability to demonstrate a past history of concerted effort to resolve some or all of the problem and to involve all affected parties in the solution. Applicants that clearly describe previous: (1) community involvement, (2) formal planning, (3) attempts to identify and then fill any ongoing need for revenues (e.g., normal maintenance and repair, program operations, etc.), (4) local fund raising, and (5) use of local indebtedness or other attempts at financing all or part of the problem through local means, will receive more points. Priority will be given to applicants who demonstrate an involvement by the community to address the problem.

SOLUTION STATEMENT (200 POINTS)

1. Project Design - 50 Points

Provide a narrative description of the design of the proposed solution and a quarterly work plan. Support the proposed project design with objective, quantifiable facts where applicable. Reference the source of these facts and provide support documentation as attachments to the application. Do not assume facts included in attachments will be found. When source documents exceed two pages, excerpt or summarize them and note the source(s).

The applicant's project design narrative should:

- Describe what the design is and how it will solve the problem. Include specifics such as, how many housing units will be completed, and what the average cost per unit will be. Discuss any need for required permits, rezoning, variances, conditional use permits, or other land use approvals. Give enough detail to clearly illustrate all activities associated with the proposed project, not just the CDBG funded activities. Be specific and explain how the design was determined (e.g. architect design report, engineers estimate, appraisal). If the project is for housing rehabilitation, describe what the rehab work will consist of. Will the project consist of utilizing grants or loans to the owners? Will the program be for rental, or owner-occupied housing? Will mobile homes be eligible and to what extent?

If the design is for activities in support of new housing, describe what CDBG funds are purposed for and how CDBG fits in with the overall project design.

- How is this project consistent with the local comprehensive plan? Please attach evidence of consistency with the comprehensive plan.
- Describe how the project relates to local or regional plans and policies (e.g. local or the state CHAS, local or regional housing and/or community development plans, land use, and zoning plans.)
- The design must include a description of obstacles or potential problems and the extent they can be controlled (e.g. other funding commitments, environmental review, land acquisition, weather, easements, or appraisals). Describe and identify neighborhood or community reaction to the proposed project, in addition to any steps taken or proposed to handle opposition to the project.
- How did you determine the project's feasibility? Please include an analysis as to why the design chosen was the most appropriate. (e.g. rehabilitation versus new construction or new construction versus rehabilitation.) Has a market analysis been completed? How will you ensure the project is successful?

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

- Describe any partnerships that may be formed or strengthened as a result of the project. Applicants applying for housing rehabilitation projects must demonstrate how their housing program is integrated with weatherization funds available through local Community Action Agencies.
- If site acquisition is part of the overall project, document that you have site control. If there is no site control, describe how and when a site will be secured. Applicants will be awarded more points if they provide documentation of site control, such as a sales and purchase agreement. (Note: If CDBG funds are requested for acquisition, be sure to allow time and funds for an appraisal.)
- *All applicants, except those applying for single family rehabilitation programs, must complete the attached project proforma and operating budgets and provide assumptions to all identified project costs. Please note the proforma and operating budgets are for the total project, not just the CDBG portion.*
- Describe what steps need to be completed before the project will be ready to proceed. (e.g. obtaining additional project funding, site control, establishing an advisory committee or loan review committee, developing program guidelines, or accepting applications). When will these steps be completed? If administrative policies, program plan, guidelines, and procedures have been developed, they should be included as an attachment and referenced as source documentation. Applicants will be awarded more points if the proposed housing program policies and guidelines have been developed and are provided with the application. Describe how the project design will meet the needs of persons with disabilities.
- Include, on a separate page, a quarterly work plan with proposed, quantifiable accomplishments and key dates for progress reviews, including the required public hearing (see Citizen Participation Strategy). Note potential obstacles which may affect completion of the project. *Projects for infrastructure in support of new housing should complete the Public Facility Work plan found on page 85.*

Rating Criteria

Points will be awarded based on the project design appropriately addressing the problem description, including use of appropriate resources and partnerships; identification and control of obstacles; and demonstration of readiness to proceed. Priority will be given to those applicants demonstrating projects consistent with their comprehensive plans. No points will be awarded if the design does not clearly relate to the described problem.

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

2. Alternatives Considered - 10 Points

Briefly describe various financial and design solutions considered by the community. Although grant programs are often considered first when solutions are needed, applicants are encouraged to explore other approaches and/or designs as well.

Narrative should provide the following information:

- Describe the possible approaches and/or designs which were considered. For each approach and/or design, identify the major benefits and constraints. For housing rehabilitation projects, include how the financial management policies were developed, such as a loan program versus a deferred payment program. For other types of housing projects, describe alternatives to design such as multi-family development vs. ownership, mixed site vs. single site, etc.
- Describe why the proposed design was chosen as the best alternative to address the problem.

Rating Criteria

Points will be awarded based on thoroughness of the applicant's analysis of each option and the reasoning behind the decision to proceed with the proposed project as the best alternative.

3. Project Impact - 50 Points

Describe how the proposed project will impact the community and low- and moderate-income persons in terms of addressing the previously stated need. The project impact is directly related to the Problem Description; if the problem is well described, the impact can be evaluated more clearly. To obtain maximum points, an applicant must correlate the functional elements of the project and the project's impact to each of the consequences of the problem and describe the impact of the solution on low- and moderate-income persons.

Narrative should provide the following information:

- Describe who and what will be positively affected by the proposed project. Quantify how many, where possible, and site source.
- Describe the anticipated degree of impact on the public health and safety and other "measured" aspects of the problem as described in the problem description. Quantify anticipated improvements, if possible, and site source.

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

- Will the proposed project solve the problem completely or partially? Does the proposed solution address the cause(s) of the problem, as is feasible, and include steps to minimize the possibility of the problem returning?
- Describe how the proposed project will impact the affordability of the housing units. What assurances will be in place to ensure beneficiaries will not be paying more than 30 percent of their income for housing? Discuss the long term affordability of the assisted housing in terms of monthly rent or mortgage costs. Describe how the project will be financially sustained for a period of at least ten years.
- Describe how the proposed project will adversely affect areas, groups, or interests of the community, including low- to moderate-income persons, (i.e. will they have a loan to repay?, will affordable housing units be demolished?). How are these adverse impacts mitigated, where possible?
- Describe how the proposed project will address the specific hardships described in the problem impact. How will this project specifically improve the quality of life for the low- to moderate-income residents of the community?

Rating Criteria

Points will be awarded on a comparative basis taking into account the applicant's explanation of how each functional portion of the project is correlated to a portion of the problem to be solved. Points will also depend upon the extent the proposed solution will solve the problem and the impact of the project on the entire community and low- and moderate-income persons.

4. Administration Plan - 15 Points

Describe the proposed administration plan. The applicant should evaluate the jurisdiction's current administrative capacity and develop an appropriate strategy for implementing the project and managing the grant. If new staff or consultants are necessary, additional time must be allotted in the project work plan.

For maximum points, a well-thought out administrative plan must be described for the rating team.

Narrative should provide the following information:

Who is responsible for project success?

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

- Name key individuals/positions, consultants, or groups/organizations and describe the scope of their responsibility for project implementation and grant management. Identify who will be responsible for each activity.
- Describe the impact of the proposed project on the applicants (and/or subrecipients) workload. If the applicant (and/or subrecipient) has received other CDBG awards, describe the status of those projects in progress.
- Describe the relationship between the jurisdiction and other project participants (i.e. contractors, consultants, organizations, citizen groups, and other governmental agencies) and how appropriate oversight will be maintained by the jurisdiction.

How will project progress be managed?

- What methods will be used to evaluate and monitor project progress and ensure compliance with CDBG Program requirements?
- How will project deficiencies be corrected?
- How will complaints regarding the use of CDBG funds be addressed?

Rating Criteria

Points will be based on the thoroughness and suitability of the administration plan for the jurisdiction and proposed project; thoroughness of sequencing steps; and appropriate assignments of responsibility to key people or entities.

5. Budget - 25 Points

Complete the budget forms and narrative identifying general administration costs, project activities costs, and funding sources. A separate general administration line item is required. Completion of an Operations Budget Form is necessary if the project involves construction or expansion of a public housing facility. **Budget forms and instructions are included in the General Information Application Instructions (pages 51-59).** Budgets should be included in the application packet in the order specified by the Application Checklist, and cited in the narrative.

- All funding requests, especially those at the maximum level, must be accompanied by a clear justification.
- Detailed assumptions for each line item must be provided.

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

All applicants, except those applying for single family rehabilitation programs, must complete the attached project proforma and operating budgets and provide assumptions to all identified project costs. Please note the proforma and operating budgets are for the total project, not just the CDBG portion.

Rating Criteria

Points will be awarded based on thoroughness and suitability of the budgets as they relate to other funding participants and consideration of future administration needs.

6. Relationship of CDBG Funds to Other Funds/Resources - 50 Points

Describe current efforts and activities directly related to the submission of this application to identify, apply for, and secure other resources (including in-kind), and funds, and to develop partnerships necessary to implement the proposed project. This category is distinguished from "Past Effort" by asking for the applicant's current efforts, leading to the submittal of this application, to locate and secure other resources and funds to complete the identified project. Please document funding already secured by attaching copies of confirmation letters from the funding source to the application and referencing this documentation within the narrative.

To receive maximum points, the applicant must document that additional resources needed to complete the project are, or will soon be committed or made available. Applicants should demonstrate that all avenues for funding and partnership have been explored, including bonds.

Narrative should provide the following information:

- Describe efforts to identify, apply for, and secure local or other governmental resources and funds (including in-kind) and to develop partnerships necessary to implement the proposed project. List which resources have been applied for, which have been committed, and the status of pending applications.
- Excluding the CDBG request, what is the total amount of funds committed for project implementation? Provide letters of commitment from sources. Applicants will be awarded more points when other funds are committed and the commitment is documented.
- Which resources and other funding are dependent upon receipt of a CDBG award? Explain how CDBG funds are being used to fill a financial gap or leverage other resources for this project.

Rating Criteria

Points will be awarded on a comparative basis which takes into account: the extent to which the applicant can demonstrate that it has identified and sought partners to solve the problem; that the CDBG funding request will "fill a financial gap" so the project can be completed; that additional funds needed to complete the project are already committed or soon will be committed and that they may be lost if the CDBG grant is not awarded; and that program income will be used to address the problem.

SAMPLE QUARTERLY WORK PLAN HOUSING REHABILITATION

TASK	QUARTER							
	1997 1 st	2 nd	3 rd	4 th	1998 1 st	2 nd	3 rd	4 th
PROJECT START UP								
Select Administrative Contact								
Select Subrecipient								
Receive Authority to Incur Costs								
Attend Grant Management Workshop								
Finalize Management Plan								
Begin Environmental Review								
Negotiate Grant Contract w/CTED								
Receive Environmental Release								
IMPLEMENTATION								
Establish Rehabilitation Office								
Hold Applicant workshops								
Begin Processing Applications								
Complete Historic Survey								
Complete Environment Review								
Complete Five Rehab Projects								
Complete Five Rehab Projects								
Complete Demolition Activities								
Complete Five Rehab Projects								
Complete Five Rehab Projects								
Complete Five Rehab Projects								
Complete Five Rehab Projects								
Complete Five Rehab Projects								
CLOSEOUT								
Conduct Public Hearing								
Begin Close-out Report								
Determine Audit Requirements								
Submit Close-out Report								
Final Pymt to Cntrctr/Subrecip								
Schedule Audit Report(s)								

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

CDBG PROJECT PROFORMA - ALL FUND SOURCES

	A - TOTAL PROJECT COSTS	B - CDBG	C - BALANCE AND SOURCE OF FUNDS (A-B)
I.			
ACQUISITION			
Purchase Price	<hr/>	<hr/>	<hr/>
Liens and Other Taxes	<hr/>	<hr/>	<hr/>
Closing and Recording Costs	<hr/>	<hr/>	<hr/>
Other	<hr/>	<hr/>	<hr/>
Subtotal	<hr/>	<hr/>	<hr/>
PREDEVELOPMENT COSTS			
Appraisal	<hr/>	<hr/>	<hr/>
Architect	<hr/>	<hr/>	<hr/>
Engineering	<hr/>	<hr/>	<hr/>
Legal	<hr/>	<hr/>	<hr/>
Other	<hr/>	<hr/>	<hr/>
Subtotal	<hr/>	<hr/>	<hr/>
CONSTRUCTION COSTS			
New Construction	<hr/>	<hr/>	<hr/>
Rehabilitation	<hr/>	<hr/>	<hr/>
Infrastructure Improvements	<hr/>	<hr/>	<hr/>
Contingency (%)	<hr/>	<hr/>	<hr/>
Haz. Materials Abatement	<hr/>	<hr/>	<hr/>
Project Management	<hr/>	<hr/>	<hr/>
Permits and Fees	<hr/>	<hr/>	<hr/>
Construction Loan Fees	<hr/>	<hr/>	<hr/>
Construction Interest	<hr/>	<hr/>	<hr/>
Sales Tax	<hr/>	<hr/>	<hr/>
Total Dev. Cost	<hr/>	<hr/>	<hr/>
Total Dev. Cost Per Unit	<hr/>	<hr/>	<hr/>
Square Footage Cost Per Unit	<hr/>	<hr/>	<hr/>
Subtotal	<hr/>	<hr/>	<hr/>
DEVELOPMENT COSTS			
Real Estate Tax	<hr/>	<hr/>	<hr/>
Insurance	<hr/>	<hr/>	<hr/>
Developer Fee	<hr/>	<hr/>	<hr/>
Relocation	<hr/>	<hr/>	<hr/>
Technical Assistance	<hr/>	<hr/>	<hr/>
Loan Fees	<hr/>	<hr/>	<hr/>
Other	<hr/>	<hr/>	<hr/>
Subtotal	<hr/>	<hr/>	<hr/>
Total Development Costs	<hr/>	<hr/>	<hr/>
II.			
OPERATING COSTS			
Services	<hr/>	<hr/>	<hr/>
Rent/Mortgage Subsidies	<hr/>	<hr/>	<hr/>
Operating	<hr/>	<hr/>	<hr/>
Other	<hr/>	<hr/>	<hr/>
Subtotal	<hr/>	<hr/>	<hr/>
III.			
TOTAL DEV/OPERATING COST	<hr/>	<hr/>	<hr/>

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

CDBG PROJECT PROFORMA ASSUMPTION

Please use this space provided to explain your assumptions for each project cost noted in the Project Proforma.

Also, please attach supporting documents such as Purchase and Sales Agreements, Appraisals, bids and estimates, etc.

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

CDBG HOUSING OPERATING BUDGET

You must explain the amounts and how they were calculated on the following Housing Operating Budget Assumption worksheet.

	YEAR 1	YEAR 5	YEAR 10
Residential Income			
Unit type/number/rent x 12			
You must provide annual			
household income and			
percentage of median.			
*See note below			
Gross Potential Income			
Less Vacancy Rate (%)			
Other Revenue (describe)			

Effective Gross Income			
Operating Expenses			
Insurance			
Heat			
Electric			
Water and Sewer			
Garbage Removal			
Repairs			
Maintenance			
Replacement Reserve			
Operating Reserve			
Management			
Services			
Other			
Total Operating Expenses			
Real Estate Taxes			
Net Operating Income			
Debt Service			
\$_____ @ _____ % for _____ years			
\$_____ @ _____ % for _____ years			

Cash Flow Per Year

Cash Flow projections for the length of the project term may be attached and are recommended.

A - HOUSING PROJECT APPLICATION INSTRUCTIONS

CDBG HOUSING OPERATING BUDGET ASSUMPTION

Please use this space provided to explain your assumptions for each project cost noted in the Housing Operating Budget.

PROBLEM/NEED STATEMENT (175 POINTS)

1. Problem Description - 50 Points

Describe the problem(s) which will be addressed by the project proposal. The narrative should cover all aspects of the problem which are objectively measurable or quantifiable and should reference source documents and their location within the application packet (i.e., Attachment I, Attachment II, etc.). When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

Problem Description or Need

- Summarize the problem in one or two sentences.
- Describe the problem or need the proposal seeks to address.
- Describe the source or cause of the problem and when the community first became aware of it.
- Describe why the existing system(s) is inadequate and how the problem has been measured and documented. Measurements could include risks to public health and safety (i.e. instances of water contamination and related illnesses, fire or flood damage, traffic injuries) or decline in system performance (i.e. instances of septic failure, backflow, emergency repairs.)

Problem location

- Where is the problem located? Please provide a map and distinguish whether only portions of an existing system are affected.

Rating Criteria

Points will be awarded based on how completely and clearly the applicant describes and substantiates the problem or need, including its cause, extent, location, frequency, and duration.

2. Problem Impact and Severity - 75 Points

Briefly, but thoroughly, describe the impact and severity of the problem or need on the community as a whole and on individuals in the community. Include appropriate and specific documentation to support hardships and risks to public health and safety.

B - PUBLIC FACILITIES PROJECT APPLICATION INSTRUCTIONS

The narrative should reference source documents such as engineering studies, data, findings, letters from official sources, and action requests which substantiate problem impacts and the degree of severity. The location within the application packet should be specified within the narrative (Attachment I, Attachment II, etc.). When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

- Describe who is being affected and cite sources.
 - How many persons in the community are affected?
 - How many low- and moderate-income persons are affected?
 - What percentage of the households within the community and within the target area (if different) are affected by the problem?
- Describe and document specific hardships caused by the problem for a typical household and low- and moderate-income persons. Examples include short- and long-term impact on quality of life, financial hardship, or deterioration of physical structures and property.
- Describe and document the impact and severity of risks to public health and safety caused by the problem. Include whether corrective actions have been mandated by governmental regulatory agencies and attach evidence of these actions/orders.

Rating Criteria

Points will be awarded based on a comparison basis taking into account: the intensity and urgency of current and anticipated consequences of the problem; the number of persons affected by the problem; the degree of hardship to the entire community and to low- and moderate-income persons or households; the degree of risk to public health and/or safety such as enforcement orders or state or federal mandates.

3. Past Effort - 50 Points

Identify past actions and resources expended to reduce, resolve, or avoid the problem whether successful or not. **Do not include efforts required for submittal of this application.** Information regarding resources committed to the applicant's current application should be discussed in detail under Solution Statement, Part 6 - Relationship of CDBG Funds to Other Funds/Resources.

B - PUBLIC FACILITIES PROJECT APPLICATION INSTRUCTIONS

Narrative should provide the following information:

- What local funding mechanisms have been considered or used to address the problem, (such as raising user rates, forming a local improvement district, or debt issuance), and why have they been inadequate or not feasible?
- What planning efforts have been made to address the problem? Has the need to address the problem been identified as a priority in local or regional plans, such as a capital facilities plan, water or sewer system plan, or community development plan?
- How have the residents of the jurisdiction, especially those directly affected by the problem, been involved in attempting to solve the problem? Examples include conservation efforts, establishing an advisory committee, a reserve fund, sandbagging, or attempting to form a district, etc.
- Describe the ongoing efforts and strategy to maintain, finance, and manage the existing system, including the normal maintenance schedule, rate review process, conservation efforts, etc. Describe three of the most current major maintenance or repair projects to the system in the following format:

<u>Project Title</u>	<u>Date Completed</u>	<u>\$ Cost/Finance Mechanism</u>
1)		
2)		
3)		

Rating Criteria

Points will be awarded based on a comparison of all applications for public facilities projects taking into account the applicant's ability to demonstrate a past history of concerted effort to resolve some or all of the problem and to involve all affected parties in the solution. Applicants that clearly describe previous: (1) community involvement, (2) formal planning, (3) attempts to identify and then fill any ongoing need for revenues (e.g., normal maintenance and repair, program operations, etc.), (4) local fund raising, and (5) use of local indebtedness or other attempts at financing all or part of the problem through local means, will receive more points. Priority will be given to applicants who demonstrate an involvement by the community to address the problem.

SOLUTION STATEMENT (200 POINTS)

1. Project Design - 50 Points

Provide a narrative description of the design of the proposed solution, and a quarterly work plan. Support the proposed project design with objective, quantifiable facts where applicable. Reference the source of these facts and provide support documentation as attachments to the application. Do not assume facts included in attachment will be found. When a source document exceeds two pages, excerpt or summarize it.

Narrative should provide the following information:

- Describe what the design is and to what extent it will solve the problem identified in the problem statement. Include specifics such as number of linear feet of pipe, type and scope of facility construction, number of side service connections, local or regional service delivery. Attach a map which clearly shows the new system and its relationship to the existing system.
- How is this project consistent with the local comprehensive plan? Attach evidence of consistency with the Comprehensive Plans.
- Describe how the proposed project relates to local, regional, and state public works infrastructure, community development, land use, and zoning plans and policies.
- Describe any partnerships that may be formed or strengthened as a result of the project.
- Describe what steps need to be completed (e.g. establishing an advisory committee, additional design work, developing an inter-local agreement, securing additional funds, developing program guidelines) and by when before the project will be ready to proceed.
- On a separate page, include a quarterly work plan with proposed, quantifiable accomplishments and key dates for progress review, including the required public hearing (see Citizen Participation Strategy). A sample work plan format is provided.
- List the obstacles (e.g. other funding commitments, environmental review, land acquisition, weather, or easements) which might affect the project completion. For each obstacle identified, describe to what extent it can be controlled.
- How did you determine the project's feasibility?

Rating Criteria

Points will be awarded based on the project design addressing the problem including use of appropriate resources and partnerships with local organizations; identification and control of obstacles; and demonstration of readiness to proceed with the project, if funded. Priority will be given to those applicants demonstrating project consistent with their comprehensive plans. No points will be awarded if the design does not clearly relate to the described problem.

2. Alternatives Considered - 10 Points

Describe various solutions considered by the community. Although grant programs are often considered first when solutions are needed, applicants are encouraged to explore other creative approaches and/or designs as well.

Narrative should provide the following information:

- Describe the possible approaches and/or designs which were considered. For each approach and/or design, identify the major benefits and constraints.
- Describe why the proposed design was chosen as the best alternative to address the problem.

Rating Criteria

Points will be awarded based on the appropriateness of the alternatives to the described problem, the thoroughness of the applicant's analysis of each option, and how the proposed project was determined to be the best alternative.

3. Project Impact - 50 Points

Describe how the proposed project will impact the community and low- and moderate-income persons in terms of addressing the previously stated need. The project impact is directly related to the Problem Description; if the problem is well described, the impact can be evaluated more clearly. To obtain maximum points, an applicant must correlate the functional elements of the project and the project's impact to each of the consequences of the problem and describe the impact of the solution on low- and moderate-income persons.

B - PUBLIC FACILITIES PROJECT APPLICATION INSTRUCTIONS

Narrative should provide the following information:

- Who and what will be positively affected by the proposed project? Quantify how many, where possible, and site source.
- What is the anticipated degree of impact on the public health and safety and other "measured" aspects of the problem in the problem description? Quantify anticipated improvements, if possible, and site source. Will the proposed solution adequately address any mandated corrective action?
- Will the proposed project solve the problem completely or partially? Does the proposed solution address the cause(s) of the problem, as is feasible, and include steps to minimize the possibility of the problem returning?
- How will the proposed project address the specific hardships described in the problem impact? How will this project specifically improve the quality of life for low- and moderate-income residents of the community?
- How might the proposed project adversely affect areas, groups, or interests of the community, including low- and moderate-income persons? How are these adverse impacts mitigated, where possible?

Rating Criteria

Points will be awarded on a comparative basis taking into account: how thoroughly the solution will solve the problem; the impact of the project on the entire community and the low- and moderate-income persons; and how each functional portion of the project is justified and correlated to a portion of the problem to be solved.

4. Administration Plan - 15 Points

Describe the proposed administration plan. The applicant should evaluate the jurisdiction's current administrative capacity and develop an appropriate strategy for implementing the project and managing the grant. If new staff or consultants are necessary, additional time must be allotted in the project work plan.

Narrative should provide the following information:

Who is responsible for project success?

- Name key individuals/positions, consultants, or groups/organizations and describe the scope of their responsibility for project implementation and grant management. Identify who is responsible for each aspect of the project.

B - PUBLIC FACILITIES PROJECT APPLICATION INSTRUCTIONS

- Describe the relationship between the jurisdiction and other project participants (i.e. contractors, consultants, organizations, citizen groups, and other governmental agencies) and how appropriate oversight will be maintained.
- Describe what impact approval of this project will have on the applicants (and/or subrecipients) workload. If the applicant (and/or subrecipient) is administering other CDBG contracts, describe the status of those projects in progress.

How will the project progress be managed?

- What methods will be used to evaluate and monitor project progress and ensure compliance with CDBG Program requirements?
- How will project deficiencies be corrected?
- How will complaints regarding the use of CDBG funds be addressed?

Rating Criteria

Points will be based on the thoroughness and suitability of the administration plan for the jurisdiction and proposed project; thoroughness of sequencing steps; and appropriate assignments of responsibility to key people or entities.

5. Budget - 25 Points

Complete the budget forms and narrative identifying general administration costs, project activity costs, and funding sources. A separate general administration line item is required. Completion of an Operations Budget Form is necessary if the project involves construction or expansion of a public facility. **Budget forms and instructions are included in the General Information Application Instructions (pages 51-59).** Budgets should be included in the application packet in the order specified by the Application Checklist, and cited in the narrative.

- All funding requests, especially those at the maximum level, must be accomplished by a clear justification.
- Detailed assumptions for each line item must be provided.

Rating Criteria

Points will be awarded based on thoroughness and suitability of the budgets

B - PUBLIC FACILITIES PROJECT APPLICATION INSTRUCTIONS

as they relate to other funding participants and consideration of future administration needs.

6. Relationship of CDBG Funds to Other Funds/Resources - 50 Points

Describe current efforts and activities directly related to the submission of this application to identify, apply for, and secure other resources (including in-kind), and funds, and to develop partnerships necessary to implement the proposed project. This category is distinguished from "Past Effort" by asking for the applicant's current efforts, leading to the submittal of this application, to locate and secure other resources and funds to complete the identified project. Please document funding already secured by attaching copies of confirmation letters from the funding source to the application and referencing this documentation within the narrative.

To receive maximum points, the applicant must document that additional resources needed to complete the project are, or will soon be committed or made available. Applicants should demonstrate that all avenues for funding and partnership have been explored, including bonds.

Narrative should provide the following information:

- Describe efforts to identify, apply for, and secure local or other governmental resources and funds (including in-kind) and to develop partnerships necessary to implement the proposed project. List which have been applied for, which have been committed, and the status of pending applications.
- Excluding the CDBG request, what is the total amount of funds committed for project implementation? Provide letters of commitment from sources. Applicants will be awarded more points when other funds are committed and documented.
- Which resources and other funding are dependent upon receipt of a CDBG award? Explain how CDBG funds are being used to fill a financial gap or leverage other resources for this project. If this is a multiple phased project, why are CDBG funds needed for this specific phase.

Rating Criteria

Points will be awarded on a comparative basis taking into account the extent to which the applicant can demonstrate that it has identified and sought partners to solve the problem; that the CDBG funding request will "fill a financial gap" so the project can be completed; that additional funds needed to complete the project are already committed or soon will be committed and that they may be lost if the CDBG grant is not awarded.

SAMPLE QUARTERLY WORK PLAN
PUBLIC FACILITIES

TASK	QUARTER							
	1997 1 st	2 nd	3 rd	4 th	1998 1 st	2 nd	3 rd	4 th
PROJECT START UP								
Authorization to Incur Costs								
Attend Grant Management Workshop								
Select Administrative Personnel								
Negotiate Contract with CTED								
Determine Audit Requirements								
Conduct Environmental Review								
Environmental Release of Funds								
Develop Side Connection Guidelines (if applicable)								
Receive Side Connection Applications								
PROJECT DESIGN								
Advertise for & Select Engineer								
Commence Design								
Complete Project Design								
Approval of Design by Regulation Agency(ies)								
Prepare Bid Documents								
Finalize Acquisition								
ADVERTISE FOR CONST. BID								
Review Contract Requirements								
Publish Bid Advertisement								
Open Bids & Examine Proposals								
Request Contr. Debarment Review								
Select Contractor & Award Bid								
Conduct Pre-Const. Conference								
Issue Notice to Proceed								
Submit Drawdowns & Progress Rpt.								
PROJECT CONSTRUCTION								
Begin Construction								
Monitor Engineer & Contractor								
Conduct Labor Compliance Reviews								
Hold Const. Progress Meetings								
Final Inspection								
Submit Drawdowns & Progress Rpt.								
Establish Assessment Process (if applicable)								
PROJECT CLOSEOUT								
Conduct Public Hearing								
Submit Final Drawdown								
Complete Close-Out Perf. Rpt.								
Submit Final Certifications - OR								
Submit Conditional Certifications								
Include Project in Audit								

PROBLEM/NEED STATEMENT (175 POINTS)

1. Problem Description - 50 Points

Describe the problem(s) which will be addressed by the project proposal. The narrative should cover all aspects of the problem which are objectively measurable or quantifiable and should reference source documents and their location within the application packet (i.e., Attachment I, Attachment II, etc.). When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

Problem Description or Need

- Summarize the problem in one or two sentences.
- Describe the problem or need the proposal seeks to address.
- Describe the source or cause of the problem and when the community first became aware of it. If the situation has changed since the community first became aware of it, describe how.
- Describe why the existing facility is inadequate and how the problem has been measured and documented. Measurements could include risks to public health and safety (i.e. fire hazards, decreased structural integrity) or change in services.

Problem location

- Where is the problem located? Please provide a map showing the impacted area.

Rating Criteria

Points will be awarded based on how completely and clearly the applicant describes and substantiates the problem or need, including its cause, extent, location, frequency, and duration.

2. Problem Impact and Severity - 75 Points

Briefly, but thoroughly, describe the impact and severity of the problem or need on the community as a whole and on individuals in the community. Include appropriate and specific documentation to support hardships and risks to public health and safety.

The narrative should reference source documents such as feasibility studies, data, findings, letters from official sources, and action requests which substantiate problem impacts and the degree of severity. The location within the application packet should be specified within the narrative (Attachment I, Attachment II, etc.).

C - COMMUNITY FACILITIES PROJECT APPLICATION INSTRUCTIONS

When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

- Describe who is being affected and cite sources.
 - How many persons in the community are affected?
 - How many low- and moderate-income persons are affected?
 - What percentage of the households within the community and within the target area (if different) are affected by the problem?
- Describe and document specific hardships caused by the problem for a typical household and low- and moderate-income persons. Examples include short- and long-term impact on quality of life, financial hardship, or deterioration of physical structures and property.
- Describe and document the impact and severity of risks to public health and safety caused by the problem. Include whether corrective actions have been mandated by governmental regulatory agencies and attach evidence of these actions/orders.
- What types of similar community facilities accessible to residents are located within a 20-mile radius of the jurisdiction? If other facilities exist, but are not useable, explain why or what is needed to make them useable.

Rating Criteria

Points will be awarded based on a comparison basis taking into account: the intensity and urgency of current and anticipated consequences of the problem; the number of persons affected by the problem; the degree of hardship to the entire community and to low- and moderate-income persons or households; the degree of risk to public health and/or safety such as enforcement orders or state or federal mandates.

3. Past Effort - 50 Points

Identify past actions and resources expended to reduce, resolve, or avoid the problem, whether successful or not. **Do not include efforts required for submittal of this application.** Information regarding resources committed to the applicant's current application should be discussed in detail under Solution Statement, Part 6 - Relationship of CDBG Funds to Other Funds/Resources.

Narrative should provide the following information:

- What local funding mechanisms have been considered or used to address the problem (such as raising user fees, fund raisers, or debt issuance), and why have they been inadequate or not feasible?
- What planning efforts have been made to address the problem? Has the need to address the problem been identified as a priority in local or regional plans, such as a capital facilities plan, or community development plan?
- How have the residents of the jurisdiction, especially those directly affected by the problem, been involved in attempting to solve the problem? Examples include conservation efforts, establishing an advisory committee, a building fund, or attempting to solicit private contributions.
- If applicable, describe the ongoing efforts and strategy to maintain, finance, and manage the existing facility. Describe three of the most current major maintenance or repair projects to the facility in the following format:

	<u>Activity</u>	<u>Date Completed</u>	<u>\$ Amount Expended</u>	<u>Funding Source</u>
1)				
2)				
3)				

Rating Criteria

Points will be awarded based on a comparison of all applications for public facilities projects taking into account the applicant's ability to demonstrate a past history of concerted effort to resolve some or all of the problem and to involve all affected parties in the solution. Applicants that clearly describe previous: (1) community involvement, (2) formal planning, (3) attempts to identify and then fill any ongoing need for revenues (e.g., normal maintenance and repair, program operations, etc.), (4) local fund raising, and (5) use of local indebtedness or other attempts at financing all or part of the problem through local means, will receive more points. Priority will be given to applicants who demonstrate an involvement by the community to address the problem.

SOLUTION STATEMENT (200 POINTS)**1. Project Design - 50 Points**

Provide a narrative description of the design of the proposed solution, and a quarterly work plan. Support the proposed project design with objective, quantifiable facts where applicable. Reference the source of these facts and provide support documentation as attachments to the application. Do not assume facts included in attachment will be found. When a source document exceeds two pages, excerpt or summarize it.

Narrative should provide the following information:

- Describe what the design is and to what extent it will solve the identified problem. Include specifics such as square footage, type and scope of facility construction, number and type of services provided. How was this size, style, location, configuration determined to be most appropriate?
- How is this project consistent with the local comprehensive plan? Please attach evidence of consistency with the Comprehensive Plan.
- Describe how the proposed project relates to local, regional, and state community development, land use, and zoning plans and policies.
- Describe any partnerships that may be formed or strengthened as a result of the project.
- Describe what steps need to be completed (e.g. establishing an advisory committee, additional design work, developing an inter-local agreement, securing additional funds, developing program guidelines) and by when before the project will be ready to proceed.
- On a separate page, include a quarterly work plan with proposed, quantifiable accomplishments and key dates for progress review, including the required public hearing (see Citizen Participation Strategy). A sample work plan format is provided.
- List the obstacles (e.g. other funding commitments, environmental review, land acquisition, community support, weather, or staff capacity) which might affect readiness to proceed or project completion. For each obstacle identified, describe to what extent it can be controlled.
- How did you determine the project's feasibility?

Rating Criteria

Points will be awarded based on the project design addressing the problem including use of appropriate resources and partnerships with local organizations; identification and control of obstacles; and demonstration of readiness to proceed with the project, if funded. Priority will be given to those applicants demonstrating project consistent with their comprehensive plans. No points will be awarded if the design does not clearly relate to the described problem.

2. Alternatives Considered - 10 Points

Briefly describe various financial and design solutions considered by the community. Although grant programs are often considered first when solutions are needed, applicants are encouraged to explore other creative approaches and/or designs as well.

Narrative should provide the following information:

- Describe the possible approaches and/or designs which were considered. For each approach and/or design, identify the major benefits and constraints.
- Describe why the proposed design was chosen as the best alternative to address the problem. Provide details related to cost, special needs, conditions, location, etc.

Rating Criteria

Points will be awarded based on the appropriateness of the alternatives to the described problem, the thoroughness of the applicant's analysis of each option, and how the proposed project was determined to be the best alternative.

3. Project Impact - 50 Points

Describe how the proposed project will impact the community and low- and moderate-income persons in terms of addressing the previously stated need. The project impact is directly related to the Problem Description; if the problem is well described, the impact can be evaluated more clearly. To obtain maximum points, an applicant must correlate the functional elements of the project and the project's impact to each of the consequences of the problem and describe the impact of the solution on low- and moderate-income persons.

Narrative should provide the following information:

- Who and what will be positively affected by the proposed project? Quantify how many, where possible, and cite source.
- What is the anticipated degree of impact on the public health and safety and other "measured" aspects of the problem in the problem description? Quantify anticipated improvements, if possible, and cite source. Will the proposed solution adequately address any mandated corrective action?
- Will the proposed project solve the problem completely or partially? Does the proposed solution address the cause(s) of the problem, as is feasible, and include steps to minimize the possibility of the problem returning?
- How will the proposed project address the specific hardships described in the problem impact? How will this project specifically improve the quality of life for low- and moderate-income residents of the community?
- How might the proposed project adversely affect areas, groups, or interests of the community, including low- and moderate-income persons? How are these adverse impacts mitigated, where possible?

Rating Criteria

Points will be awarded on a comparative basis taking into account: how thoroughly the solution will solve the problem; the impact of the project on the entire community and the low- and moderate-income persons; and how each functional portion of the project is justified and correlated to a portion of the problem to be solved.

4. Administration Plan - 15 Points

Describe the proposed administration plan. The applicant should evaluate the jurisdiction's current administrative capacity and develop an appropriate strategy for implementing the project and managing the grant. If new staff or consultants are necessary, additional time must be allotted in the project work plan.

Narrative should provide the following information:

Who is responsible for project success?

- Name key individuals/positions, consultants, or groups/organizations and describe the scope of their responsibility for project implementation and grant management. Identify who will be responsible for each activity.
- Describe the relationship between the jurisdiction and other project participants (i.e. contractors, consultants, organizations, citizen groups, and other governmental agencies) and how appropriate oversight will be maintained.

C - COMMUNITY FACILITIES PROJECT APPLICATION INSTRUCTIONS

- Describe what impact approval of the proposed project will have on the applicants (or subrecipient) workload. If the applicant (or subrecipient) is administering other CDBG contracts, describe the status of those projects in progress.

How will the project progress be managed?

- What methods will be used to evaluate and monitor project progress and ensure compliance with CDBG Program requirements?
- How will project deficiencies be corrected?
- How will complaints regarding the use of CDBG funds be addressed?

Rating Criteria

Points will be based on the thoroughness and suitability of the administration plan for the jurisdiction and proposed project; thoroughness of sequencing steps; and appropriate assignments of responsibility to key people or entities.

5. Budget - 25 Points

Complete the budget forms and narrative identifying general administration costs, project activity costs, and funding sources. A separate general administration line item is required. Completion of an Operations Budget Form is necessary if the project involves construction or expansion of a public facility. **Budget forms and instructions are included in the General Information Application Instructions (pages 51-59).** Budgets should be included in the application packet in the order specified by the Application Checklist, and cited in the narrative.

- All funding requests, especially those at the maximum level must be accompanied by a clear justification.
- Detailed assumptions for each line item must be provided.

Rating Criteria

Points will be awarded based on thoroughness and suitability of the budgets as they relate to other funding participants and consideration of future administration needs.

6. Relationship of CDBG Funds to Other Funds/Resources - 50 Points

Describe current efforts and activities directly related to the submission of this application to identify, apply for, and secure other resources (including in-kind), and funds, and to develop partnerships necessary to implement the proposed project. This category is distinguished from "Past Effort" by asking for the applicant's current efforts, leading to the submittal of this application, to locate and secure other resources and funds to complete the identified project. Please document funding already secured by attaching copies of confirmation letters from the funding source to the application and referencing this documentation within the narrative.

To receive maximum points, the applicant must document that additional resources needed to complete the project are, or will soon be committed or made available. Applicants should demonstrate that all avenues for funding and partnership have been explored, including bonds.

Narrative should provide the following information:

- Describe efforts to identify, apply for, and secure local or other governmental resources and funds (including in-kind) and to develop partnerships necessary to implement the proposed project. List which have been applied for, which have been committed, and the status of pending applications.
- Excluding the CDBG request, what is the total amount of funds committed for project implementation? Provide letters of commitment from sources. Applicants will be awarded more points when other funds are committed and documented.
- Which resources and other funding are dependent upon receipt of a CDBG award? Explain how CDBG funds are being used to fill a financial gap or leverage other resources for this project.

Rating Criteria

Points will be awarded on a comparative basis taking into account the extent to which the applicant can demonstrate that it has identified and sought partners to solve the problem; that the CDBG funding request will "fill a financial gap" so the project can be completed; that additional funds needed to complete the project are already committed or soon will be committed and that they may be lost if the CDBG grant is not awarded.

SAMPLE QUARTERLY WORK PLAN COMMUNITY FACILITIES

TASK	QUARTER							
	1997 1 st	2 nd	3 rd	4 th	1998 1 st	2 nd	3 rd	4 th
PROJECT START UP								
Authorization to Incur Costs								
Attend Grant Management Workshop								
Select Administrative Personnel								
Negotiate Contract with CTED								
Determine Audit Requirements								
Conduct Environmental Review								
Environmental Release of Funds								
PROJECT DESIGN								
Advertise for & Select Engineer								
Commence Design								
Complete Project Design								
Prepare Bid Documents								
Finalize Acquisition								
ADVERTISE FOR CONST. BID								
Review Contract Requirements								
Publish Bid Advertisement								
Open Bids & Examine Proposals								
Request Contr. Debarment Review								
Select Contractor & Award Bid								
Conduct Pre-Const. Conference								
Issue Notice to Proceed								
Submit Drawdowns & Progress Rpt.								
PROJECT CONSTRUCTION								
Begin Construction								
Monitor Engineer & Contractor								
Conduct Labor Compliance Reviews								
Hold Const. Progress Meetings								
Final Inspection								
Submit Drawdowns & Progress Rpt.								
Establish Assessment Process (if applicable)								
PROJECT CLOSEOUT								
Conduct Public Hearing								
Submit Final Drawdown								
Complete Close-Out Perf. Rpt.								
Submit Final Certifications - OR								
Submit Conditional Certifications								
Include Project in Audit								

PROBLEM/NEED STATEMENT (175 POINTS)

1. Problem Description - 50 Points

Describe the problem(s) identified in the needs assessment which will be addressed by the project proposal. The narrative should cover all aspects of the problem. Source documents should be referenced and their location noted in the application packet (Attachment I, Attachment II, etc.). When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

Description of Problem or Need

- Summarize the problem in one or two sentences.
- Describe the problem the proposal seeks to address.
- Describe the source or cause of the problem and when the community first became aware of it?
- How has the problem been measured or documented?

Location

- Is the project located in an area of high unemployment or long-term economic distress? (Mention appropriate statistics and source, and provide a map showing the impacted areas, and exactly where the project is to be located.)

Attach documentation that validates the above information.

Rating Criteria

Points will be awarded based on how completely and clearly the applicant describes and substantiates the problem or need, including its cause, extent, location, frequency, and duration.

2. Problem Impact and Severity - 75 Points

Briefly, but thoroughly, describe the impact and severity of the problem or need on the jurisdiction as a whole and on individuals in the jurisdiction. Include appropriate and specific documentation to support hardships in areas such as unemployment or underemployment and/or threats to public safety and health. The narrative should reference source documents such as data, findings, and conclusions which substantiate problem impacts and the degree of severity.

D - ECONOMIC DEVELOPMENT PROJECT APPLICATION INSTRUCTIONS

Narrative should provide the following information:

- Describe who is being affected and cite sources:
 - How many persons in the community are affected?
 - How many low- and moderate-income persons are affected?
 - What percentage of the households within the community and within the target area (if different) are affected by the problem?
- Describe and document specific hardships caused by the problem or need for a typical household and low- and moderate-income persons. Examples include short- and long-term impact on quality of life, financial hardship, or deterioration of physical structures and property.
- If applicable, why has the community lost jobs and/or why have new jobs not been created?

Rating Criteria

Points will be awarded based on a comparison of all applications for economic development projects taking into account: the intensity and urgency of current and anticipated consequences of the problem; the number of persons affected by the problem or need; the degree of hardship (especially for low- and moderate-income persons/households); and economic considerations such as the loss of a significant number of existing jobs or lost opportunity to create a significant number of new jobs in relation to the size of the community.

3. Past Effort - 50 Points

Identify past actions and resources expended to reduce or solve the problem or need, and explain the success or failure of those efforts. **Do not include efforts required for submittal of this application.** (Information regarding resources committed to the applicant's current application should be discussed in detail under Solution Statement, Part 6 - Relationship of CDBG Funds to Other Funds/Resources.)

Where appropriate, the degree to which the proposed project has been coordinated with other formal regional economic development efforts will be assessed. In particular, CTED encourages the participation of Associate Development Organizations in the process of verifying an economic development proposal's fit with local priorities.

D - ECONOMIC DEVELOPMENT PROJECT APPLICATION INSTRUCTIONS

Narrative should provide the following information:

- What local funding mechanisms have been considered or used to address the problem, (such as debt issuance), and why have they been inadequate or not feasible?
- What planning efforts have been made to address the problem? Has the need to address the problem been identified as a priority in local or regional plans, such as an Economic Development Plan? Has a market analysis been performed; what are the results?
- What economic development planning has the community done, and when? What programs have been involved? Has the community developed an economic development plan?
- How have the residents of the jurisdiction, especially those directly affected by the problem or need, been involved in attempting to solve the problem or satisfy the need? Examples include establishing an advisory committee, starting a reserve fund or joining an Economic Development Organization.
- Is the community a member of an Economic Development Organization such as an EDC or an ADO? If not, why is the community not a member?

Rating Criteria

Points will be awarded based on a comparison of all applications for economic development projects taking into account the applicant's ability to demonstrate a past history of concerted effort to resolve some or all of the problem and to involve all affected parties in the solution. Applicants that clearly describe previous: (1) community involvement, (2) formal planning, (3) local fund raising, (4) use of local indebtedness to finance all or part of the problem through local means, and (5) use of other state or federal loan or grant sources to solve the problem or need, will receive more points. Priority will be given to applicants who demonstrate an involvement by the community to address the problem.

SOLUTION STATEMENT (200 POINTS)

1. Project Design - 50 Points

Provide a narrative description of the design of the proposed solution, and a quarterly work plan. Support the proposed project design with objective, quantifiable facts where applicable. Reference the source of these facts and provide supporting documentation as attachments to the application. Do not assume facts included in attachment will be found. When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

- Describe what the design is and how it will solve the problem. For Revolving Loan Fund projects, applicants should describe the system and include the forms and procedures that will be used to meet the "appropriate" analysis standards for each for-profit business that will be receiving direct assistance. (See pages 104-105 for additional information on these requirements.)
- How is the project consistent with the local comprehensive plan? Please attach evidence of consistency with the Comprehensive Plan.
- Describe how the proposed project relates to local, regional, and state economic development, community development, land use, and zoning plans and policies.
- Describe any partnerships that may be formed or strengthened as a result of the project.
- The design must include a description of obstacles or potential problems (i.e. other funding commitments, environmental review, land acquisition, weather, easements, or appraisals) which might affect the project completion. For each obstacle or potential problem identified, describe to what extent it can be controlled.
- How did you determine the project's feasibility?
- Describe what steps need to be completed (i.e. establishing an advisory committee, commitment of other funding sources, developing program guidelines for the capitalization or recapitalization of revolving loan funds, or accepting applications) and by when, before the project will be ready to proceed.
- Describe how the project design will meet the needs of persons with disabilities.
- If site control is part of the overall project, document that you have site control. If there is no site control, describe how and when a site will be

D - ECONOMIC DEVELOPMENT PROJECT APPLICATION INSTRUCTIONS

secured. (Note: if CDBG funds are requested for acquisition, be sure to allow time and funds for an appraisal.)

- Include, on a separate page, a quarterly work plan with proposed, quantifiable accomplishments and key dates for progress review, including the required public hearing (see Citizen Participation Strategy). The diversity of approaches inherent in economic development projects makes creation of a standard quarterly work plan format impractical. However, there are some CDBG project milestones common to all economic development projects. A sample work plan format listing these required milestones is provided.

Rating Criteria

Points will be awarded based on the project design fitting the problem description, including use of appropriate resources and partnerships; identification and control of obstacles; and demonstration of readiness to proceed. Priority will be given to those applicants demonstrating projects consistent with their comprehensive plans. No points will be awarded if the design does not clearly relate to the described problem.

2. Alternatives Considered - 10 Points

Briefly describe various financial and design solutions considered by the community. Although grant programs are often considered first when solutions are needed, applicants are encouraged to explore other creative approaches and/or designs as well.

Narrative should provide the following information:

- Describe the possible approaches and/or designs which were considered, and include both design and funding program solutions. For each approach and/or design, identify the major benefits and limitations.
- Describe why the approach or design was chosen as the best alternative to address the problem.

Rating Criteria

Points will be awarded based on thoroughness of the applicant's analysis of each option and the reasoning behind the decision to proceed with the proposed project as the best alternative.

3. Project Impact - 50 Points

Describe how the proposed project will impact the community and low- and moderate-income persons in terms of addressing the previously stated need. The project impact is directly related to the Problem Description; if the problem is well described, the impact can be evaluated more clearly. To obtain maximum points, an applicant must correlate the functional elements of the project and the project's impact to each of the consequences of the problem and describe the impact of the solution on low- and moderate-income persons.

Narrative should provide the following information:

- Who and what will be positively affected by the proposed project? Quantify how many, where possible, and cite sources.
- What is the anticipated impact on job creation or job retention, public health and safety or other "measured" aspects of the problem in the problem description? Quantify anticipated improvements, if possible, and cite source.
- Will the proposed project solve the problem completely or partially? Does the proposed solutions address the cause(s) of the problem, as is feasible, and include steps to minimize the possibility of the problem returning?
- How will the proposed project address the specific hardships described in the problem impact? How will this project specifically improve the quality of life for low- and moderate-income residents of the community?
- How might the proposed project adversely affect areas, groups, or interests of the community, including low- and moderate-income persons? How are these adverse impacts mitigated, where possible?

Rating Criteria

Points will be awarded on a comparative basis taking into account the applicant's explanation of how each functional portion of the project is correlated to a portion of the problem to be solved. Points will also depend upon the extent the proposed solution will solve the problem and the impact of the project on the entire community and low- and moderate-income persons.

4. Administration Plan - 15 Points

Describe the proposed administration plan. The applicant should evaluate the jurisdiction's current administrative capacity and develop an appropriate strategy for implementing the project and managing the grant. If new staff or consultants are necessary, additional time must be allotted in the project work plan.

D - ECONOMIC DEVELOPMENT PROJECT APPLICATION INSTRUCTIONS

Narrative should provide the following information:

Who is responsible for project success?

- Name key individuals/positions, consultants, or groups/organizations and describe the scope of their responsibility for project implementation and grant management. Identify who will be responsible for each aspect of the project.
- Describe the relationship between the jurisdiction and other project participants (i.e. contractors, consultants, organizations, citizen groups, and other governmental agencies) and how appropriate oversight will be maintained.
- Describe what impact approval of the proposed project will have on the applicants (and/or subrecipients) workload. If the applicant (and/or subrecipient) is administering other CDBG contracts, describe the status of those projects in progress.

How will project progress be managed?

- What methods will be used to evaluate and monitor project progress and ensure compliance with CDBG Program requirements?
- How will project deficiencies be corrected?
- How will complaints regarding the use of CDBG funds be addressed?

Rating Criteria

Points will be based on the thoroughness and suitability of the administration plan for the jurisdiction and proposed project.

5. Budget - 25 Points

Complete the budget forms and narrative identifying general administration costs, project activity costs, and funding sources. A separate general administration line item is required for all applicants. Completion of an Operations Budget Form is necessary when the project involves construction or expansion of a facility (e.g. an incubator which will house start-up businesses). **Budget instructions and forms are included in the General Information Application Instructions (pages 51-59).** Budgets should be included in the application packet in the order specified in the Application Checklist, and cited in the narrative.

- All funding requests, especially those at the maximum level, must be accomplished by a clear justification.

D - ECONOMIC DEVELOPMENT PROJECT APPLICATION INSTRUCTIONS

- Detailed assumptions for each line item must be provided.

Rating Criteria

Points will be awarded based on thoroughness and suitability of the budgets as they relate to other funding participants and consideration of future administration needs.

6. Relationship of CDBG Funds to Other Funds/Resources - 50 Points

Describe current efforts and activities directly related to the submission of this application to identify, apply for, and secure other resources (including in-kind), and funds, and to develop partnerships necessary to implement the proposed project. This category is distinguished from "Past Effort" by asking for the applicant's current efforts, leading to the submittal of this application, to locate and secure other resources and funds to complete the identified project. Please document funding already secured by attaching copies of confirmation letters from the funding source to the application and referencing this documentation within the narrative.

To receive maximum points, the applicant must document that additional resources needed to complete the project are, or will soon be committed or made available. Applicants should demonstrate that all avenues for funding and partnership have been explored, including bonds.

Narrative should provide the following information:

- Describe efforts to identify, apply for and secure local or other governmental resources and funds (including in-kind) and to develop partnerships necessary to implement the proposed project. List which have been applied for, which have been committed, and the status of pending applications.
- Excluding the CDBG request, what is the total amount of funds committed for project implementation? Provide letters of commitment from sources. Applicants will be awarded more points when other funds are committed and documented.
- Which resources and other funding are dependent upon receipt of a CDBG award? Explain how CDBG funds are being used to fill a financial gap or leverage other resources for this project.
- Will this project generate program income or loan repayments either before or after closure of this project? How will this income be used?

(Note: Program Income is defined as the gross income received by a CDBG grantee or subrecipient that was generated from the use of CDBG funds and that equals or exceeds \$25,000 in a single year. If you are uncertain

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whether your project will generate program income, contact any CDBG staff member for assistance.)

Rating Criteria

Points will be awarded on a comparative basis which takes into account the extent to which the applicant can demonstrate that it has identified and sought partners to solve the problem; that the CDBG funding request will "fill a financial gap" so the project can be completed; that additional funds needed to complete the project are already committed or soon will be committed and that they may be lost if the CDBG grant is not awarded; and that program income will be used to address the problem.

GUIDELINES FOR APPROPRIATE STANDARDS FOR BUSINESS ASSISTANCE PROJECTS

OVERVIEW

Federal law requires that where proposed state CDBG funding or local program income would provide assistance to a private for-profit entity, the state must determine that the CDBG assistance is "appropriate" to carry out the economic development activity.

Documentation that the amount of CDBG funds assisting the company is not excessive considering both the financial needs of the business and the public benefit derived from the business must be submitted with the grant application. This documentation must contain a financial analysis of the business' need for assistance as well as the public benefit factors that were considered in making this determination. The following steps must be specifically addressed:

STEPS

1. Evaluate the Proposed Project Costs (the uses of funds to complete the project.) Cross check costs with appropriate industry standards. The goal is to conclude that all costs are reasonable. Cross checking should include hard and soft costs, particularly developer's fees.
2. Verify and Maximize Private Sources of Funding (the sources of funds necessary to complete the project.) Both private debt and equity must be verified. Verification should consist of the following:
 - That the source of funds is committed;
 - That the terms and conditions of the committed funds are known;
 - That the source has the capacity to deliver; and
 - That all private sources should be maximized for the given project. (No CDBG funds should substitute for available private funds.)
3. Determine Reason for the Need for CDBG Assistance to Complete the Project. There are three general, justifiable reasons for CDBG assistance.
 - a) Financing Gap. At maximum, the private sector can raise only a portion of the debt and equity funds necessary to complete the project. A gap between sources and uses exists and CDBG fills the gap.
 - b) Rate of Return. The private sector can raise sufficient debt and equity to complete the project, but the returns to the developer or business are inadequate to motivate an "economic person" to proceed with the project. That is, project risks outweigh rewards.
 - c) Location. A private sector entity is deciding between Site A and Site B for its project. The CDBG grantor wants the project at Site A, but the private entity

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argues that the project will cost less at Site B and will require subsidy to equalize the costs in order to locate at Site A. The reasons for the cost differential are varied and must be evaluated on a case by case basis. Most common reasons are on-site costs (e.g., road, sewers, etc.) The objective here is to quantify the cost differential to the extent possible between Site A and B so that the financial needs of the business may be judged in relationship to the public benefit and avoid an undue enrichment of the business. Locational cost of doing business differentials between states will not be considered appropriate.

1. Size the CDBG Assistance. Based on the type and extent of the need as detailed in Step 3, determine the minimum amount of CDBG funds necessary to stimulate the private investment.
2. Price the CDBG Loan. If the CDBG subsidy is to be a loan to a private entity, the debt service payments should balance the maximum return to the public lender with the economic health of the project. Generally, unless required by the financial need of the business, CDBG interest rates should pattern the rate of the participating bank.
3. Public Policy Analysis. No specific standards are provided. However, the type of factors considered might include the number and type of jobs to be made available, in relation to the needs of low- and moderate-income persons and others who are likely to benefit by the activity; quantified increases to the tax base including property, sales, and income taxes; or increases in needed services or suppliers which result from the activity. This list is not exclusive, but clear documentation on how the decision was reached must be provided.

SAMPLE QUARTERLY WORK PLAN ECONOMIC DEVELOPMENT

[illegible]

If project involves construction of a building or public facility infrastructure, pertinent milestones from the community facility or public facility work plan formats (see pages 85 and 94) should be included, as appropriate, in the economic development work plans.

PROBLEM/NEED STATEMENT (175 POINTS)

Special Note:

A comprehensive project requires a "hybrid" application which may involve referencing instructions for Housing, Community Facilities, Economic Development, and Public Facilities Projects, depending on the activities being proposed. A comprehensive project typically: targets multiple benefits to a specific target area or target population, and includes major eligible activities from two or more project categories. Activities included in a comprehensive project must be related and coordinated to achieve more results than would be possible if addressed individually.

1. **Problem Description - 50 Points**

Describe the problem(s) which will be addressed by the project proposal. The narrative should cover all aspects of the problem which are objectively measurable or quantifiable and should reference source documents and their location within the application packet. When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

Problem Description or Need

- Summarize the problem in one or two sentences.
- Describe the problem(s) or need(s) the proposal seeks to address.
- How are the problem(s) or needs related to each other?
- Describe the source(s) or cause(s) of the problem(s) and when the community first became aware of them.
- **If the project addresses a housing problem,** provide a map of the area with symbols which represent substandard, moderately deficient, or deteriorated housing stock (not included in the three-page narrative limit). Refer to the Housing Project Application Instructions for definitions of substandard, moderately deficient, or deteriorated housing conditions.

Also:

- What is the vacancy rate? What percentage of households are paying over 30 percent of income for housing?
- **If the project addresses a community facilities problem,** address why a facility is needed. Having existing structures been considered and why were they inadequate?

- **If the project addresses a public facilities problem,** what part and proportion of the system is affected? Please state how you arrived at this proportion. Provide a map to substantiate.
- **If the project addresses an economic development problem,** is the problem or need located in an area of high unemployment or long-term economic distress? Provide a map showing the impacted areas, and exactly where the project is to be located.

Problem Location

- Where is the problem located? Please provide a map and distinguish whether only portions of an existing system are affected.

Attach documentation that validates the above information.

Rating Criteria

Points will be awarded based on how completely and clearly the applicant describes and substantiates the problem or need, including its cause, extent, location, frequency, and duration.

2. Problem Impact and Severity - 75 Points

Briefly, but thoroughly, describe the impact and severity of the problem or need on the community as a whole and on individuals in the community. Include appropriate and specific documentation to support hardships and, if appropriate, risks to public health and safety.

The narrative should reference the source documents such as data from reports, findings, letters from official sources, and action requests which substantiate problem impacts and the degree of severity. The location within the application packet should be specified within the narrative (Attachment I, Attachment II, etc..). When source documents exceed two pages, excerpt or summarize them and note the source(s).

Narrative should provide the following information:

- Who is being affected and cite sources.
 - How many persons in the community are affected?
 - How many low- and moderate-income persons are affected?
 - What percentage of the households within the community and within the target area (if different) are affected by the problem?
- Describe and document specific hardships caused by the problem for a typical household and low- and moderate-income persons? Examples

include short- and long-term impact on quality of life, financial hardship, or deterioration of physical structures and property.

- Describe and document the impact and severity of risks to public health and safety caused by the problem, if appropriate. Include whether corrective actions have been mandated by governmental regulatory agencies and attach evidence of these actions/orders.
 - **If the project addresses a housing problem,** what is the rate of substandard to standard housing?
 - **If the project addresses an economic development problem,** why, if applicable, has the community lost jobs; why have new jobs not been created?
 - **If the project addresses a community facilities problem,** what types of community facilities accessible to residents are located within a 20 mile radius of the jurisdiction?
 - **If the project addresses housing, community facilities, or public facilities problems or needs:**
 - Are there risks to public health and safety? If yes, describe and document those risks in the target area. *
 - Have corrective actions been mandated by governmental regulatory agencies? If yes, attach evidence of these actions/orders. *
- * *The narratives should reference the location of supporting documents (Attachment I, Attachment II, etc.) When source of documents exceed two pages, excerpt or summarize them and note the source(s).*

Rating Criteria

Points are awarded based on a comparison basis taking into account: the intensity and urgency of current and anticipated consequences of the problem; the number of persons affected by the problem; the degree of hardship to the entire community and to low- and moderate-income persons or households; the degree of risk to public health and/or safety; such as enforcement orders or state or federal mandates.

3. Past Effort - 50 Points

Identify past actions and resources expended to reduce, resolve, or avoid the problem, whether successful or not. **Do not include efforts required for submittal of this application.** Information regarding resources committed to

the applicant's current application should be discussed in detail under Solution Statement, Part 6 - Relationship of CDBG Funds to Other Funds/Resources.

Narrative should provide the following information:

- What local funding mechanisms have been considered or used to address the problem, (such as raising user rates, forming local improvement district, or debt issuance), and why have they been inadequate or not feasible?
- What planning efforts have been made to address the problem? Has the need to address the problem been identified as a priority in local or regional plans, such as a capital facilities plan, water or sewer system plan, or community development plan?
- How have the residents of the jurisdiction, especially those directly affected by the problem, been involved in attempting to solve the problem? Examples include conservation efforts, establishing an advisory committee, a reserve fund, sandbagging, attempting to form a district, or becoming a member of an Economic Development Organization.

- **For project addressing an economic development problem:**

Where appropriate, the degree to which the proposed project has been coordinated with other formal regional economic development efforts will be assessed.

- Has the applicant demonstrated past ability to find complementary funding sources and "in-kind" services for such elements as administration and local packaging?
 - Explain and provide evidence of the extent of appropriate use, or investigation of use, of existing state and federal economic development assistance programs such as the Development Loan Fund and Small Business Administration Programs.
 - What economic development planning has the community done? When? What programs have been involved? Has the community developed an economic development plan?
- **For projects addressing a housing problem:**
 - Has the local governing body officially adopted or is it in the process of adopting a housing assistance plan?
 - Has the applicant established or is it in the process of establishing planning and zoning policies which facilitate the construction of affordable, energy-efficient housing for low- and moderate-income households?

- Has the applicant undertaken or is it in the process of undertaking efforts in the community and project areas to address the identified housing and neighborhood revitalization needs such as improvements to public facilities; aggressive code enforcement and demolition of unsafe, vacant, substandard buildings and community or neighborhood "clean-up", "paint-up", or "fix-up" campaigns?
- In what ways has the community attempted to solve some or all of the problems using local funding mechanisms?
- Describe past housing improvement projects which benefit low- and moderate-income persons.
- **For projects containing a public facilities element:**
 - Has the applicant developed a Capital Facilities Plan or other long range planning document, and what priority does the identified problem or need have in the planning document?
- **For projects containing a public or community facilities element,** describe the ongoing efforts and strategy to maintain, finance and manage the existing system, including the normal maintenance schedule, rate review process, conservation efforts, etc. Describe three of the most current major maintenance or repair projects to the system in the following format:

<u>PROJECT TITLE</u>	<u>DATE COMPLETED</u>	<u>\$COST/FINANCE MECHANISM</u>
1)		
2)		
3)		

Rating Criteria

Points will be awarded based on a comparison of all applications for comprehensive projects taking into account the applicant's ability to demonstrate a past history of concerted effort to resolve some or all of the problem and to involve all affected parties in the solution. Applicants that clearly describe previous: (1) community involvement, (2) formal planning, (3) attempts to identify and then fill any ongoing need for revenues (e.g., normal maintenance and repair, program operations, etc.), (4) local fund raising, and (5) use of local indebtedness or other attempts at financing all or part of the problem through local means, will receive more points. Priority will be given to applicants who demonstrate an involvement by the community to address the problem.

SOLUTION STATEMENT (200 POINTS)

1. Project Design - 50 Points

Provide a narrative description of the design of the proposed solution, and a quarterly work plan appropriate to the comprehensive proposal. Support the proposed project design with objective, quantifiable facts where applicable. Reference the source of these facts and provide supporting documentation as attachments to the application. Do not assume facts included in attachment will be found. When a source document exceeds two pages, excerpt or summarize it.

Narrative should provide the following information:

- Describe what the design is and how it will solve the problem. Include specifics such as square footage of facility and services offered; number of linear feet of pipe, type and scope of facility construction, number of side service connections, or number of housing units rehabilitated.
- How is this project consistent with the local comprehensive plan? Provide documentation of consistency with the Comprehensive Plan.
- Describe how the proposed project relates to local, regional, and state public works infrastructure, community development, land use, and zoning plans and policies.
- Describe any partnerships that may be formed or strengthened as a result of the project. Housing rehabilitation projects must demonstrate how their housing program is integrated with weatherization funds available through local Community Action Agencies.
- Describe what steps need to be completed (e.g. establishing an advisory committee, additional design work, developing an inter-local agreement, securing additional funds, developing program guidelines) and when they must be completed before the project will be ready to proceed.
- If program guidelines, policies, and procedures, for housing projects have been developed, they should be included as an attachment and referenced as source documentation.
- On a separate page, include a quarterly work plan with proposed, quantifiable accomplishments and key dates for progress review, including the required public hearing (see Citizen Participation Strategy). A sample work plan format is provided.
- List the obstacles (e.g. other funding commitments, environmental review, land acquisition, weather, or easements) which might affect the project completion. For each obstacle identified, describe to what extent it can be controlled.

- How did you determine the project's feasibility?

Rating Criteria

Points will be awarded based on the project design addressing the problem including use of appropriate resources and partnerships with local organizations; identification and control of obstacles; and demonstration of readiness to proceed with the project, if funded. Priority will be given to those applicants demonstrating project consistent with their comprehensive plans. No points will be awarded if the design does not clearly relate to the described problem.

2. Alternatives Considered - 10 Points

Briefly describe various financial and design solutions considered by the community. Although grant programs are often considered first when solutions are needed, applicants are encouraged to explore other creative approaches and/or designs as well.

Narrative should provide the following information:

- Describe the possible approaches and/or designs which were considered. For each approach and/or design, identify the major benefits and constraints.
- Describe why the proposed design was chosen as the best alternative to address the problem.

Rating Criteria

Points will be awarded based on the appropriateness of the alternatives to the described problem, the thoroughness of the applicant's analysis of each option, and how the proposed project was determined to be the best alternative.

3. Project Impact - 50 Points

Describe how the proposed project will impact the community and low- and moderate-income persons in terms of addressing the previously stated need. The project impact is directly related to the Problem Description; if the problem is well described, the impact can be evaluated more clearly. To obtain maximum points, an applicant must correlate the functional elements of the project and the project's impact to each of the consequences of the problem and describe the impact of the solution on low- and moderate-income persons.

Narrative should provide the following information:

- Who and what will be positively affected by the proposed project? Quantify how many, where possible, and site source.
- What is the anticipated degree of impact on the public health and safety and other "measured" aspects of the problem in the problem description? Quantify anticipated improvements, if possible, and site source. Will the proposed solution adequately address any mandated corrective action?
- Will the proposed project solve the problem completely or partially? Does the proposed solution address the cause(s) of the problem, as is feasible, and include steps to minimize the possibility of the problem returning?
- How will the proposed project address the specific hardships described in the problem impact? How will this project specifically improve the quality of life for low- and moderate-income residents of the community?
- How might the proposed project adversely affect areas, groups, or interests of the community, including low- and moderate-income persons? How are these adverse impacts mitigated, where possible?

Rating Criteria

Points will be awarded on a comparative basis taking into account: how thoroughly the solution will solve the problem; the impact of the project on the entire community and the low- and moderate-income persons; and how each functional portion of the project is justified and correlated to a portion of the problem to be solved.

4. Administration Plan - 15 Points

Describe the proposed administration plan. The applicant should evaluate the jurisdiction's current administrative capacity and develop an appropriate strategy for implementing the project and managing the grant. If new staff or consultants are necessary, additional time must be allotted in the project work plan.

Narrative should provide the following information:

Who is responsible for project success?

- Name key individuals/positions, consultants, or groups/organizations and describe the scope of their responsibility for project implementation and grant management. Identify who will be responsible for each activity.

- Describe the impact of the proposed project on the applicants (and/or subrecipients) workload. If the applicant (and/or subrecipient) has received other CDBG awards, describe the status of those projects in progress.
- Describe the relationship between the jurisdiction and other project participants (i.e. contractors, consultants, organizations, citizen groups, and other governmental agencies) and how appropriate oversight will be maintained.

How will project progress be managed?

- What methods will be used to evaluate and monitor project progress and ensure compliance with CDBG Program requirements?
- How will project deficiencies be corrected?
- How will complaints regarding the use of CDBG funds be addressed?

Rating Criteria

Points will be based on the thoroughness and suitability of the administration plan for the jurisdiction and proposed project; thoroughness of sequencing steps; and appropriate assignment of responsibility to key people or entities.

5. Budget - 25 Points

Complete the budget forms and narrative identifying general administration costs, project activity costs, and funding sources. A separate general administration line item is required. Completion of an Operations Budget Form is necessary if the project involves construction or expansion of a public facility. **Budget forms and instructions are included in the General Information Application Instructions (pages 51-59).** Budgets should be included in the application packet in the order specified by the Application Checklist, and cited in the narrative.

Narrative should provide the following information:

- All funding requests, especially those at the maximum level, must be accomplished by a clear justification.
- Detailed assumptions for each line item must be provided.

Rating Criteria

Points will be awarded based on thoroughness and suitability of the budgets as they relate to other funding participants and consideration of future administration needs.

6. Relationship of CDBG Funds to Other Funds/Resources - 50 Points

Describe current efforts and activities directly related to the submission of this application to identify, apply, and secure other resources (including in-kind), and funds, and to develop partnerships necessary to implement the proposed project. This category is distinguished from "Past Effort" by asking for the applicant's current efforts, leading to the submittal of this application to locate and secure other resources and funds to complete the identified project. Please document funding already secured by attaching copies of confirmation letters from the funding source to the application and referencing this documentation within the narrative.

To receive maximum points, the applicant must document that additional resources needed to complete the project are, or will soon be committed or made available. Applicants should demonstrate that all avenues for funding and partnership have been explored, including bonds.

Narrative should provide the following information:

- Describe efforts to identify, apply for and secure local or other governmental resources and funds (including in-kind) and to develop partnerships necessary to implement the proposed project. List which have been applied for, which have been committed, and the status of pending applications.
- Excluding the CDBG request, what is the total amount of funds committed for project implementation? Provide letters of commitment from sources. Applicants will be awarded more points when other funds are committed and documented.
- Which resources and other funding are dependent upon receipt of a CDBG award? Explain how CDBG funds are being used to fill a financial gap or leverage other resources for this project?

Rating Criteria

Points will be awarded on a comparative basis taking into account the extent to which the applicant can demonstrate that it has identified and sought partners to solve the problem; that the CDBG funding request will "fill a financial gap" so the project can be completed; that additional funds needed to complete the project are already committed or soon will be committed and that they may be lost if the CDBG grant is not awarded; and that program income will be used to address the problem.

SAMPLE QUARTERLY WORK PLAN
COMPREHENSIVE PROJECT

TASK	QUARTER							
	1997 1 st	2 nd	3 rd	4 th	1998 1 st	2 nd	3 rd	4 th
PROJECT START UP								
Select Administrative Contact								
Select Subrecipient								
Receive Authority to Incur Costs								
Attend Grant Management Workshop								
Finalize Management Plan								
Begin Environmental Review								
Negotiate Grant Contract w/CTED								
Receive Environmental Release								
IMPLEMENTATION								
Establish Rehabilitation Office								
Hold Applicant Workshops								
Begin Processing Applications								
Complete Historic Survey								
Complete Environmental Review								
Complete Five Rehab Projects								
Complete Five Rehab Projects								
Complete Demolition Activities								
Complete Five Rehab Projects								
Complete Five Rehab Projects								
Complete Five Rehab Projects								
Complete Five Rehab Projects								
PROJECT CLOSEOUT								
Conduct Public Hearing								
Begin Close-out Report								
Determine Audit Requirements								
Submit Close-Out Report.								
Final Pymt to Cntrctr/Subrecip								
Schedule Audit Report(s)								

SAMPLE QUARTERLY WORK PLAN
COMPREHENSIVE PROJECT

TASK	QUARTER							
	1997 1 st	2 nd	3 rd	4 th	1998 1 st	2 nd	3 rd	4 th
PROJECT START UP								
Authorization to Incur Costs	_____	_____	_____	_____	_____	_____	_____	_____
Attend Grant Management Workshop	_____	_____	_____	_____	_____	_____	_____	_____
Select Administrative Personnel	_____	_____	_____	_____	_____	_____	_____	_____
Negotiate Contract with CTED	_____	_____	_____	_____	_____	_____	_____	_____
Determine Audit Requirements	_____	_____	_____	_____	_____	_____	_____	_____
Conduct Environmental Review	_____	_____	_____	_____	_____	_____	_____	_____
Environmental Release of Funds	_____	_____	_____	_____	_____	_____	_____	_____
PROJECT DESIGN								
Advertise for and Select Engineer	_____	_____	_____	_____	_____	_____	_____	_____
Commence Design	_____	_____	_____	_____	_____	_____	_____	_____
Complete Project Design	_____	_____	_____	_____	_____	_____	_____	_____
Prepare Bid Documents	_____	_____	_____	_____	_____	_____	_____	_____
Finalize Acquisition	_____	_____	_____	_____	_____	_____	_____	_____
ADVERTISE FOR CONST. BID								
Review Contract Requirements	_____	_____	_____	_____	_____	_____	_____	_____
Publish Bid Advertisement	_____	_____	_____	_____	_____	_____	_____	_____
Open Bids & Examine Proposals	_____	_____	_____	_____	_____	_____	_____	_____
Request Contr. Debarment Review	_____	_____	_____	_____	_____	_____	_____	_____
Select Contractor & Award Bid	_____	_____	_____	_____	_____	_____	_____	_____
Conduct Pre-Const. Conference	_____	_____	_____	_____	_____	_____	_____	_____
Issue Notice to Proceed	_____	_____	_____	_____	_____	_____	_____	_____
Submit Drawdowns & Progress Rpt.	_____	_____	_____	_____	_____	_____	_____	_____
PROJECT CONSTRUCTION								
Begin Construction	_____	_____	_____	_____	_____	_____	_____	_____
Monitor Engineer & Contractor	_____	_____	_____	_____	_____	_____	_____	_____
Conduct Labor Compliance Reviews	_____	_____	_____	_____	_____	_____	_____	_____
Hold Const. Progress Meetings	_____	_____	_____	_____	_____	_____	_____	_____
Final Inspection	_____	_____	_____	_____	_____	_____	_____	_____
Submit Drawdowns & Progress Rpt.	_____	_____	_____	_____	_____	_____	_____	_____
Establish Assessment Process (if applicable)	_____	_____	_____	_____	_____	_____	_____	_____
PROJECT CLOSEOUT								
Conduct Public Hearing	_____	_____	_____	_____	_____	_____	_____	_____
Submit Final Drawdown	_____	_____	_____	_____	_____	_____	_____	_____
Complete Close-Out Perf. Rpt.	_____	_____	_____	_____	_____	_____	_____	_____
Submit Final Certifications - OR	_____	_____	_____	_____	_____	_____	_____	_____
Submit Conditional Certifications	_____	_____	_____	_____	_____	_____	_____	_____
Include Project in Audit	_____	_____	_____	_____	_____	_____	_____	_____

THE END!

**GOOD LUCK AND FEEL FREE TO CALL ANY OF THE
CDBG PROGRAM STAFF WITH YOUR QUESTIONS.**